OFFICIAL STATEMENT DATED AUGUST 26, 2026

NEW ISSUE – Book-Entry-Only | **S&P GLOBAL RATINGS: AAA**
(see "Rating" 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 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 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. (See "Tax Matters" herein.)

TOWN OF MONROE, CONNECTICUT
$5,855,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026
(BANK QUALIFIED)

Dated: Date of Delivery | **Due: September 1, as shown herein**

Maturity	Amount	Coupon	Yield	CUSIP[1]	Maturity	Amount	Coupon	Yield	CUSIP[1]
2027	$ 590,000	5.000 %	2.180 %	610423H32	2032	$ 585,000	5.000 %	2.640 %	610423H81
2028	585,000	5.000	2.250	610423H40	2033	585,000	5.000	2.730	610423H99
2029	585,000	5.000	2.340	610423H57	2034	585,000	4.000	2.870 *	610423J22
2030	585,000	5.000	2.450	610423H65	2035	585,000	4.000	3.000 *	610423J30
2031	585,000	5.000	2.630	610423H73	2036	585,000	4.000	3.050 *	610423J48

* Priced assuming redemption on September 1, 2033; however, any such redemption is at the option of the Town (see "Optional Redemption" herein).

Loop Capital Markets, LLC

The $5,855,000 General Obligation Bonds, Issue of 2026 (the "Bonds") will be general obligations of the Town of Monroe, 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 March 1 and September 1 in each year until maturity, commencing on March 1, 2027.

The Bonds will be issued by means of a book-entry system and registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owners of the Bonds. Purchasers of the Bonds will be made in book-entry form in denominations of $5,000 or any integral multiples thereof. Purchasers of the Bonds will receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bond Owner, as nominee of DTC, reference herein to the Bond Owner or owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as described herein) of the Bonds. See "Book-Entry-Only Transfer System" herein.

U.S. Bank Trust Company, National Association, City Place I, 185 Asylum Street, 27th Floor, Hartford, Connecticut will certify the Bonds, and act as Registrar, Transfer Agent, and Paying Agent on the Bonds.

The Bonds are subject to optional redemption as described more fully herein. See "Optional Redemption", herein.

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinions of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company ("DTC") in New York, New York on or about September 9, 2026.

This cover page contains certain information for quick reference only. It is NOT a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

[1] 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 is not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. 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 or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds 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.

No dealer, broker, salesperson or other person has been authorized by the Town of Monroe, Connecticut (the "Town") or the Municipal Advisor to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Town or the Municipal Advisor. 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 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.

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

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale 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" herein, the independent auditors for the Town are not passing on and do not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and make no representation that they have independently verified the same.

Other than matters expressly set forth in Appendices B herein, 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 they have independently verified the same.

The Town deems this Official Statement to be "final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

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 Official Statement.

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
PULLMAN & COMLEY, LLC
Hartford, Connecticut
(860) 424-4300

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

TABLE OF CONTENTS

BOND ISSUE SUMMARY

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

Issuer:	Town of Monroe, Connecticut (the "Town").
Issue:	$5,855,000 General Obligation Bonds, Issue of 2026 (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	March 1, 2027 and semiannually thereafter on September 1 and March 1 in each year until maturity.
Principal Due:	Serially, September 1, 2027 through 2036, as detailed in this Official Statement.
Purpose and Authority:	The proceeds of the Bonds will be used to finance various capital projects of the Town as authorized by bond resolutions adopted by the Town Council and approved by the voters of the Town. See "Authorization and Purpose" herein.
Redemption:	The Bonds **are** subject to redemption prior to maturity as more fully described herein.
Security:	The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Town received a credit rating of "AAA" from S&P Global Ratings ("S&P") on the Bonds. See "Rating" herein.
Basis of Award:	Lowest True Interest Cost ("TIC"), as of dated date.
Tax Exemption:	See Appendix B, "Form of Opinion of Bond Counsel" herein.
Bank Qualification:	The Bonds **shall** be designated 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 incurred to carry the Bonds.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) notices of certain events within ten (10) business days of occurrence of such events and (iii) timely notice of a failure to provide the required annual financial information on or before the date specified pursuant to a Continuing Disclosure Agreement to be executed by the Town in substantially the form attached as Appendix C to this Official Statement.
Registrar, Transfer, Certifying and Paying Agent:	U.S. Bank Trust Company, National Association, City Place I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about September 9, 2026 against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be directed to Ronald J. Bunovsky, Jr., Director of Finance and Comptroller, Town of Monroe, 7 Fan Hill Road, Monroe, Connecticut 06468. Telephone: (203)-452-2800 x 1061.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Bill Lindsay, Managing Director, Telephone: (203)-421-2880.

I. SECURITIES OFFERED

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Monroe, Connecticut (the "Town") in connection with the sale and issuance of $5,855,000 General Obligation Bonds, Issue of 2026 (the "Bonds") of the Town, and may not be reproduced or used in whole or in part for any other purpose.

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. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. 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 proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds 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.

Munistat Services, Inc. ("Munistat" or the "Municipal Advisor") is engaged as Municipal Advisor to the Town in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Munistat, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal and state income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

Set forth in Appendix A "Basic Financial Statements" hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Bond Counsel is not passing upon and does not assume responsibility for the sufficiency, accuracy or completeness of the statements made in this Official Statement (other than matters expressly set forth in its opinion in Appendix B "Form of Opinion of Bond Counsel" herein) and it makes no representation that it has independently verified the same.

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

DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery, September 9, 2026, and will mature on the dates and in the principal amounts set forth on the cover page hereof. The Bonds will be issued as fully-registered bonds in denominations of $5,000 or any integral multiples thereof. Interest on the Bonds will be payable semiannually on March 1 and September 1 in each year until the date of maturity, commencing on March 1, 2027. Interest will be calculated on the basis of 360-day year, consisting of twelve 30-day months and will be payable to the registered owners of the Bonds as of the close of business on the fifteenth day in August and February, or the preceding business day if the fifteenth is not a business day, in each year (record date).

A book-entry-only transfer system will be employed evidencing ownership of the Bonds with transfers of ownership 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-Only Transfer System" herein. The Certifying Agent, Paying Agent, Registrar, and Transfer Agent will be U.S. Bank National Association, Global Corporate Trust, Cityplace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut. The legal opinion on the Bonds will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix B to this Official Statement. **The Bonds are subject to optional redemption prior to maturity as more fully described herein.**

AUTHORIZATION AND PURPOSE

Authorizations: The Bonds were authorized and are being issued pursuant to bond resolutions adopted by the Town Council and approved by the voters of the Town at Special Town meeting or referenda, as the case may be.

Purpose: Proceeds of the Bonds will be used to finance the following capital projects undertaken by the Town:

Projects	Total Bond Authorization	Prior Bonds	*The Bonds*
Various School Facilty Improvement 2024..........................	$ 900,000	$ -	$ 900,000
Road Construction & Reconstruction 2025.........................	1,520,000	-	1,520,000
Public Works Trucks & Equipment 2025.............................	1,050,000	-	1,050,000
Safety Equipment 2025	190,000	-	190,000
Fire Dept Improvements and Vehicle Replacement 2026....	165,000	-	165,000
Road Construction/Reconstruction & Todd Drive 2026......	2,030,000	-	2,030,000
Total..	$ 5,855,000	$ -	$ 5,855,000

RATING

The Town received a credit rating of "AAA" from S&P Global Ratings ("S&P") on the Bonds. The rating on certain outstanding bonds was recently affirmed as "AAA" by S&P. The rating reflects only the view of the rating agency and an explanation of the significance of such rating may be obtained from S&P Global Ratings, 55 Water Street, 45th Floor, New York, New York 10041. There is no assurance that the rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by such rating agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of the Town's bonds or notes, including the Bonds.

OPTIONAL REDEMPTION

The Bonds maturing on or before September 1, 2033 are not subject to redemption prior to maturity. The Bonds maturing on September 1, 2034 and thereafter are subject to redemption prior to maturity, at the option of the Town, on and after September 1, 2033, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the redemption price or prices (expressed as a percentage of the principal amount of Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

Redemption Date	Redemption Price
September 1, 2033 and thereafter	100.00%

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 not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the registered owner of any 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 kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds, or portions thereof so called for redemption will cease to bear interest after the specified redemption date. So long as Cede & Co., as nominee for DTC is the registered owner of the Bonds, all notices of redemption will be sent only to DTC or its successor nominee.

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 Bonds to be redeemed shall be in the principal amount of $5,000 or 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-only system is used for the Bonds, will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption.

Redemption of a portion of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry-only system, among the interests 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 interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of interest 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, or be the responsibility of, the Town, the Registrar or Paying Agent.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

The Depository Trust Company ("DTC"), will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds 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 certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity and interest rate, 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 issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds 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 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 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/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds 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, the Paying Agent/Registrar, 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/Registrar, 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 at any time by giving reasonable notice to the Town or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

REPLACEMENT BONDS

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

DTC PRACTICES

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds 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.

SECURITY AND REMEDIES

The Bonds 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 when due.

Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under the Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue that the Town would have received except for the limitation upon its power to tax such dwelling houses.

Payment of the Bonds 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.

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, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and notes (the "obligations") 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 obligations 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 such obligations would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted by the Congress or the Connecticut General Assembly and to the exercise of judicial discretion. 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 thereof, or by State law or 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 provides that no Connecticut municipality shall file a petition in bankruptcy under Chapter 9 of Title 11 of the United States Code without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue notes or other obligations.

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 a comprehensive policy, industry standard controls relating to network security, daily production and review of system-wide diagnostic reports, multi-factor authentication, and on-going employee cyber awareness training. The Town's Technology Department regularly conducts drills and table top exercises to test its systems and controls. While cybersecurity is the top priority for Town's Technology Department, no assurances can be given, however, that such security and operational control measures will be completely successful to guard against all cyber threats and attacks. The results of any such attack could impact business operations and/or damage the Town's 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 river and stream flooding. Furthermore, the Town faces other threats due to climate change, including damaging wind that could become more severe and frequent.

The Town partnered with the Connecticut Metropolitan Council of Governments (the "MetroCOG") 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 September 2024 and was subsequently adopted by FEMA in November 2024, qualifying the Town to pursue federal climate mitigation grants. The Town has a State issued MS4 Permit (the "permit") for the discharge of stormwater from its stormwater system into the Town's surface waters. The permit requires a stormwater management plan to reduce the discharge of pollutants in stormwater. The permit program prioritizes stormwater improvements in areas with impervious coverage greater than 12% to reduce the amount of stormwater pollution reaching surface waters. Eighteen percent of Monroe has impervious coverage of 12% or more. The stormwater management plan uses best management practices to address specific stormwater control measures including public outreach and participation; illicit discharge detection and monitoring; construction site runoff control; new development stormwater management; and pollution prevention for municipal operations. The Town files an annual report, as required, outlining the steps being taken under the stormwater management plan. The Town has collaborated with MetroCOG to digitize all town owned stormwater assets, test water quality at various outfall locations, and produce a Town-wide stormwater viewer. The Town also has a very active program of tree inspections and removals, in coordination with the Town's electrical utility provider.

The Town cannot predict the timing, extent or severity of climate change and its impact on its operations and finances. In light of the COVID-19 pandemic and the increasing frequency of severe weather, the Town has accumulated approximately $625,000 in an emergency response fund to allow the Town to quickly respond and recover from any such events that would exceed its annual operating budget.

QUALIFICATIONS FOR FINANCIAL INSTITUTIONS

The Bonds **shall** 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 Bonds.

AVAILABILITY OF CONTINUING DISCLOSURE

The Town prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year. The Town provides, and will continue to provide, to the rating agency ongoing disclosure in the form of annual audited financial statements, adopted budgets and other materials relating to its management and financial condition as may be necessary or requested.

The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C to this Official Statement (the "Continuing Disclosure Agreement"), 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 within 10 days of the occurrence of such events, with respect to the Bonds, and (iii) timely notice of 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 Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds or notes to provide annual financial information and event notices pursuant to Rule 15c2-12(b)(5). In the past five years, the Town has not failed to comply in any material respect with its previous undertakings under such agreements.

TAX MATTERS

Federal Taxes. In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds 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 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 in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds irrespective of the date on which such noncompliance occurs. In the Tax Compliance Agreement, which will be delivered concurrently with the issuance of the Bonds/, 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 proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds 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.

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

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

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

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

Other Federal Tax Matters. Prospective purchasers of the Bonds should be aware that ownership of the Bonds 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 should consult their tax advisors regarding collateral federal income tax consequences. Prospective purchasers of the Bonds 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 is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

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

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

Owners of the Bonds 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.

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. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. 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 from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Bonds 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 for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be adversely affected and the ability of holders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

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. Prospective owners of the Bonds, 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.

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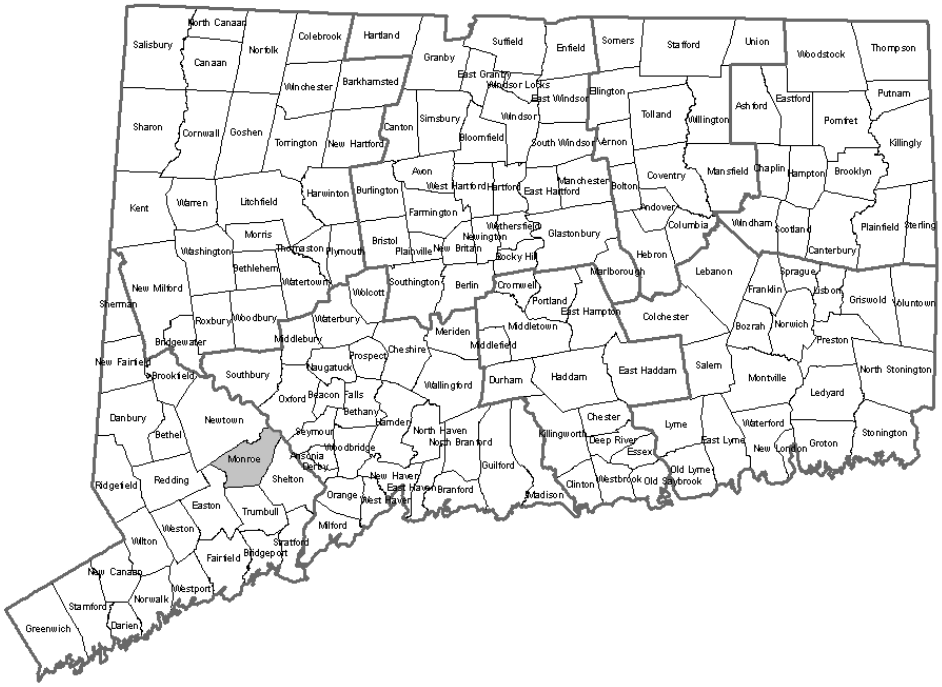


DESCRIPTION OF THE TOWN

The Town of Monroe, incorporated in 1823, is located in Fairfield County. It covers an area of 26.4 square miles seventy miles east of New York City and fourteen miles north of Bridgeport. It is bordered by Easton to the west, Newtown to the north, Shelton and Oxford to the east and Trumbull to the south. Lake Zoar, the Stevenson Dam, a FirstLight Power Resources hydropower facility, and the Housatonic River also are part of the Town's northeastern border.

The Town population according to the U.S. Bureau of Census, 2024 American Community Survey, was 18,949. The Town has above average income and education levels that reflect its character as a suburban bedroom community.

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

The Town is traversed by State Routes 25, running north and south, and Route 111, running northeast through the Town. The Route 25 expressway, which begins at Route 8 in Bridgeport, intersects with the Merritt Parkway (Route 15), and terminates at the intersection of Route 111 near the Monroe-Trumbull town line. The southern area of Town is easily accessible to the Merritt Parkway by way of Route 25, and thus to both Interstates 91 and 95. Air transportation is available in Bridgeport and Danbury, as is rail transportation, via Amtrak and Metro-North service; bus passenger transportation is provided by the Greater Bridgeport Transit District. The Town of Monroe Senior Center provides additional transportation for senior citizens and the homebound.

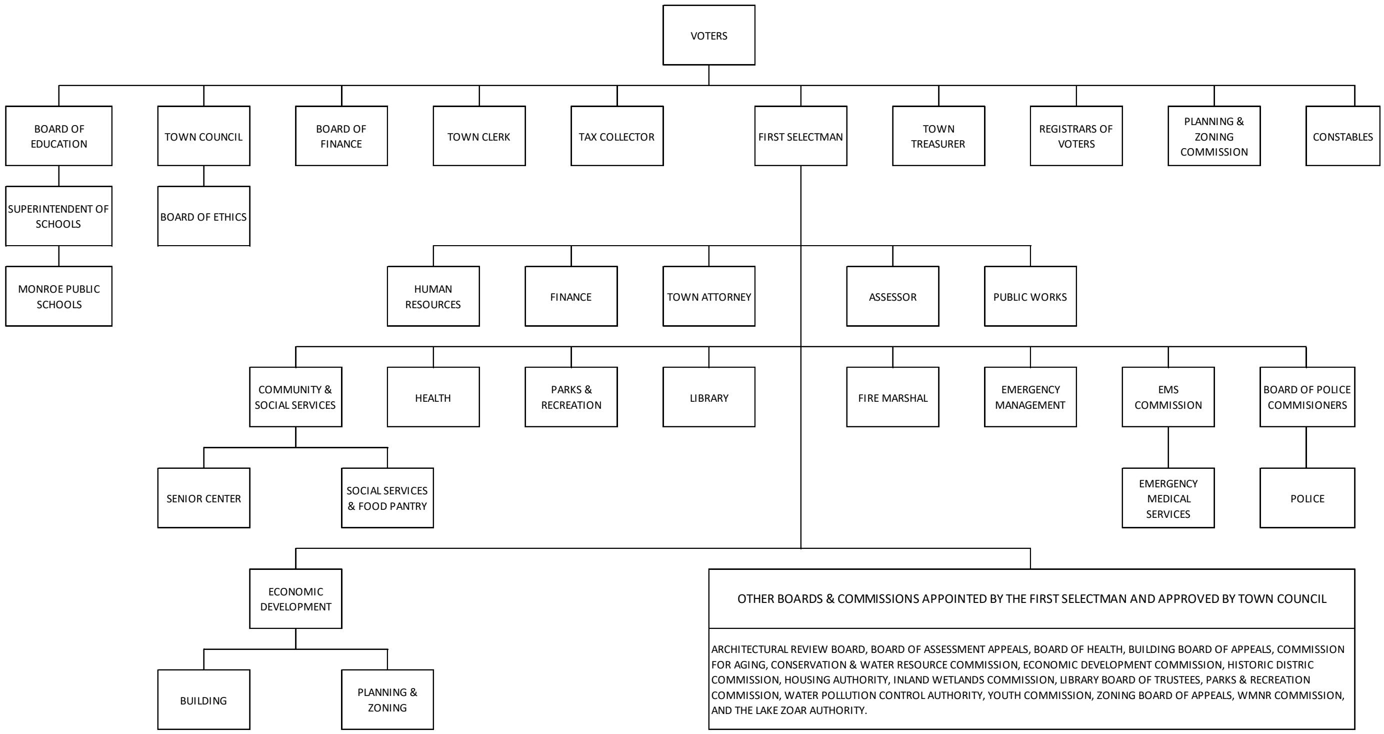
FORM OF GOVERNMENT

The Town is administered by an elected First Selectman, who acts as the Chief Executive Officer, and a 9-member Town Council that constitute the First Selectman/Council form of government. The First Selectman is responsible for planning, organizing and directing all routine municipal activities, except for education. Other Commissions are either elected or appointed by the First Selectman with approval of the Town Council. The First Selectman manages department heads, sees that law and ordinances governing the Town are enforced, makes recommendations and reports to the Town Council, prepares the annual budget, prepares the annual report, keeps the Town Council advised on the Town's financial condition and performs other duties prescribed by Charter, Ordinance or Town Council resolution.

The Town Council is the legislative body of the Town. Financial matters are the responsibility of the First Selectman and a six member Board of Finance, elected to four-year terms, in conjunction with the Director of Finance and part-time Treasurer. The

Finance Department, directed by the Director of Finance who also serves as the Comptroller, manages all financial records and operations of the Town, including the Board of Education. The Treasurer is elected biannually and is responsible for investing funds of the Town.

ORGANIZATION CHART



PRINCIPAL TOWN OFFICIALS

Name	Position	Term	Length of Service
Terrence P. Rooney.......................	First Selectman..........................	11/22/2027	3 years
Ronald J. Bunovsky, Jr...................	Director of Finance...................	Appointed	12 years
Rebecca O'Donnell........................	Chair, Board of Finance...........	11/22/2027	2 years
Joseph Kobza.................................	Superintendent of Schools........	Appointed	6 years
Deborah Heim, CCMC.................	Tax Collector.............................	11/22/2027	7 years
Keith White....................................	Chief of Police..........................	Appointed	4 years
Francis Dutches..............................	Town Treasurer..........................	11/22/2027	4 years

Source: Town Officials.

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SUMMARY OF MUNICIPAL SERVICES

Police: The Monroe Police Department is a fully accredited Connecticut Police Officer Standards and Training Council law enforcement agency, providing 24-hour police protection to the Town of Monroe. Professional services include: first response to all public safety emergencies, including the R1 medical first responder; crime scene evidence collection and processing; criminal investigation; electronic and digital evidence collection, examination and analysis; motor vehicle crash reconstruction and investigation; domestic violence victim follow-up and support team; and crisis intervention response and follow-up officers. The Monroe Police Department has a staff of 44 sworn officers and 12 non-sworn employees.

Emergency Medical Service (EMS): Monroe Volunteer Emergency Medical Services (MVEMS) was founded in 1977, with a mission to provide high-quality pre-hospital emergency care in the community. Forty (40) members and staff respond to approximately 1,800 emergency calls each year, utilizing 3 ambulances and a basic life support fly car. A contracted service supplements EMT staffing and provides paramedic staffing along with a specially equipped advanced life support vehicle. Volunteer members also take an active role in enhancing safety in the community by providing CPR/AED and "Stop the Bleed" training, educational presentations and emergency medical coverage at special events for town and civic groups. Additionally, MVEMS instructors provide EMT training and continuing education programs for members and prospective members. In the spirit of volunteerism, members proudly serve their community 24/7 to provide care to those in need.

Fire: Three volunteer fire companies serve the Town, carrying a force of approximately 75 active fire fighters in five fire stations. The major equipment includes 12 pieces of fire apparatus distributed among the three companies. The Town employs one full-time Fire Marshal and two part-time deputy Fire Marshals.

Public Works Department: The Department of Public Works (DPW) includes the Building Maintenance, Highway, Engineering & Parks Maintenance divisions.

• **Building Maintenance**: This division provides general and contracted maintenance for 21 public facilities, including Town Hall, the Police Department, Library, Senior Center, Firehouses, the Highway Garage, and the newly acquired Community Center Site. In total, staff maintain 272,911 square feet of building space and 12 emergency generators, supported by one full-time Building Maintainer and one full-time Custodian**.** This budget also incorporates responsibility for exterior maintenance of Parks & Recreation facilities now under Public Works, including grounds maintenance at Town Hall and Stepney Greens, Wolfe Park, Great Hollow Lake, Webb Mountain, and the Route 110/111 roundabout.

• **Highway**: The Highway Division performs all maintenance and construction within the Town-owned right-of-way across 143 miles of road, including 5 miles of dirt roads. Core functions include road reconstruction, excavation, paving, pothole patching, curbing, topsoil and seeding, drainage pipe and structure installation, traffic and street sign installation, roadside trimming and mowing, litter cleanup, street sweeping, tree removal and trimming, snow plowing and salting, dirt-road grading, dust control, and guiderail maintenance. The division also supports the annual bulky waste pickup, collects waste motor oil and assists once a year with tri-town hazardous waste collection day.

• **Engineering**: The Engineering Division provides design, project development, coordination, and technical support to Town boards and commissions, Town administration, other Town departments, applicants and their representatives, and the general public. It also coordinates closely with the State Department of Environmental Protection, State Department of Transportation, the Metropolitan Council of Governments, utility companies, and other relevant agencies and organizations.

The Department employs one Director, one Deputy Director, one Consultant Engineer, one General Foreman, one Engineering Inspector, two crew leaders and twenty-two other personnel, one full-time Operations Coordinator and one part-time administrative assistant, two building maintainers and one night custodian.

Solid Waste: The Town has entered into a Solid Waste Disposal Agreement (the Agreement), with WIN Waste. for the disposal of solid waste through the Greater Bridgeport Regional Solid Waste Interlocal Committee (the Interlocal). It is required that the Agreement be executed by Contracting Communities whose aggregate average generation of Acceptable Waste for the two (2) year period prior to the Contract Date was in excess of 175,000 Tons per year. Each municipality which has signed the Agreement agrees to deliver or cause to be delivered to the System all Acceptable Waste, as defined therein, generated by it or to the System by or on behalf of each municipality. Both the Greater Bridgeport Regional Solid Waste Interlocal Agreement and the Solid Waste Disposal Agreement are available for review at Town Hall. For fiscal year 2025-26, the Town has paid a tipping fee of $88.66 per ton for solid waste delivered to the Facility in Bridgeport. The fiscal year 2026-27 budget includes appropriations intended to accommodate anticipated changes in disposal costs.

Transfer Station: The Town currently participates in a long-standing arrangement with the Town of Trumbull to utilize its transfer station to deliver all refuse to be transferred to WIN Waste in Bridgeport. The Town pays approximately $58.08 per ton to the Town of Trumbull and WIN Waste to operate the transfer station and transport the refuse to the Facility in Bridgeport. The all-in-cost per ton for the operation of the transfer station, the transportation of the refuse to WIN Waste and the tipping fees paid to WIN Waste is approximately $146.74 per ton for fiscal year 2025-26. The fiscal year 2026-27 budget includes appropriations that are intended to accommodate anticipated increases in transfer station and disposal costs.

Recycling: Monroe has entered into an agreement with the Greater Bridgeport Regional Recycling Interlocal (GBRRIC), replacing the Southwest Connecticut Regional Recycling Operating Committee (SWEROC). The agreement provides for a committee membership which administers all matters affecting the municipality in connection with the delivery of municipal recyclables as mandated by the State of Connecticut. Monroe has entered into a contract with residential Waste Systems (RWS) to provide for the pickup and delivery of residential generated recyclables to a resource recovery facility with which GBRRIC has a contract with. The GBRRIC agreement is available for review at Town Hall. Consistent with a nationwide issue, recycling costs have increased significantly over the past several years. The fiscal year 2026-2027 budget includes appropriations that are intended to accommodate anticipated increases in recycling costs.

Health and Welfare: The Monroe Health Department consists of a Director of Health, Chief Sanitarian, Health Program Planner / Sanitarian, a part-time Nurse and an Administrative Assistant. The Health Department is committed to providing professional service to our community to protect the environment, and improve the quality of life through health education, regulation, community partnerships, and support of public health initiatives.

PRIMARY PROGRAMS & SERVICES

- <u>Environmental Health</u>: Foster a healthful environment and prevent illness by monitoring, investigating complaints of health hazards, educating the public and enforcing the Connecticut Public Health Code, relevant State regulations and local Ordinances. Conduct inspections of establishments such as restaurants, salons, public pools, day cares and temporary food events. Monitor lake water quality and review reports. Review plans for and supervise installation of subsurface sewage disposal systems. Approve permits for private wells and work with government agencies on water quality matters.

- <u>Community Health</u>: Promotion of health and well-being by educating, and reinforcing public health promotion messages and initiatives. Monitor and track disease reporting. Offer child vaccines through CT Vaccine for Children program for free or low cost. Act as a resource for various topics such as lead poisoning, fall prevention, vector-borne disease, asthma, opioid overdose education.

- <u>Emergency Preparedness</u>: Collaborate with our Region 1 and Healthcare Coalition partners to develop functional plans to prepare for and respond to urgent situations such as infectious disease outbreaks, natural disaster, extreme weather or other public health emergencies.

Parks and Recreation: Monroe maintains a full-time Parks and Recreation Department under the supervision of a Director of Parks and Recreation. The Department provides leadership and expertise for the development, promotion and delivery of a comprehensive schedule of recreational and cultural opportunities for the citizens of the community. In addition, it shares responsibility with the Public Works Department for the effective management, development and assists in the maintenance of Town parks and their related facilities. The Town offers an outdoor seasonal pool, seven tennis courts, eight pickleball courts, two basketball courts, three large field areas for football, soccer and lacrosse use, seven ballfields for softball/baseball, three playgrounds, two outdoor sand volleyball areas, bocce court, two gaga pits, a swimming lake, various hiking trails, five picnic areas, seasonal and year-round bathroom facilities within the Wolfe Park/Great Hollow Lake section of town. We host and provide many outdoor passive and active recreational opportunities for youth, adult, seniors and family programming with camps, clinics, concerts, leagues and drop-in schedules. In addition, we oversee a seasonal campground that offers eleven tent-only camping sites that come equipped with grills, picnic tables and a fire pit. For indoor recreational needs we partner with the Monroe Public Schools to use their facilities in the evening and weekends to offer addition programming in the pool, gyms and classrooms. The Department has four full-time and one part-time staff year-round. Seasonal staff ranges from approximately twenty-five to eighty employees depending on the season.

Library: The Edith Wheeler Memorial Library is a 32,000 square foot facility which houses a children's department on the ground level with adult and teen services on the main floor. A full range of library services is provided by seven full time staff and 22 part time staff. The library offers a meeting room capacity for 150, children's program rooms, a study room, three Nook study Pods, and a 15-person conference room. In addition to the 81,121 items in the collection, the library offers opportunities for experiential learning in the makerspace, art and music programs for all ages, programs for special needs, a Library of Things collection, and homebound services. Streaming movies, music, eBooks, and audiobooks, in addition to research databases, are available online and accessed using the library's website at www.ewml.org.

Planning and Zoning: The Town has an elected Planning and Zoning Commission that consists of five (5) members and three (3) alternates. Its duties are to guide, control and approve all design work and site development to conform with the Town and State Codes while working with the First Selectman and the Planning and Zoning Department. The Planning & Zoning Department, which has 5 full-time employees, is tasked with protecting the public health, safety and general welfare of the community by providing administrative and professional technical services to the Planning and Zoning Commission, Zoning Board of Appeals, associated local Boards and Commissions, Federal agencies, State Agencies and the general public, in order to assist the Town of Monroe in guiding the orderly development and use of land to provide housing and employment opportunities; to stabilize the property tax base; to foster and enhance the visual image and vernacular character of the Town; and to protect open space and areas of sensitive and unique natural resources within the Town.

The Town has recently completed the process of updating its Plan of Conservation & Development (POCD) which is required to be completed every ten (10) years pursuant to the Connecticut General Statutes. The current POCD was adopted by the Town's Planning and Zoning Commission in April 2021.

Economic Development: The Town re-established an Economic Development Department in its fiscal 2021-2022 budget, consisting of a full-time Director of Economic & Community Development. Furthermore, the Town has an all-volunteer Economic Development Commission, consisting of seven (7) members, which are appointed by the First Selectman with Town Council approval. The Commission works directly with the Director of Economic & Community Development, the First Selectman's office, and through partnerships with the public, community organizations, elected officials, town departments and other boards and commissions to assist in the orderly development of commercial and industrial sectors of the Town, while being consistent with the Town's Plan of Conservation & Development.
These efforts include:

- Attracting new commercial development to increase the grand list, expand the commercial tax base, and reduce the tax burden on residents;
- Supporting retention of existing commercial businesses;
- Creating a robust marketing strategy to promote the Town; and
- Increasing the local employment base and attracting skilled workers.

The Town includes approximately 1,595 acres (10.2% of the total Town area) zoned for commercial business and industrial development, including substantial acreage ripe for development or redevelopment. The balance, like most Fairfield County communities, consists primarily of one, two and three-acre minimum single-family residentially zoned areas (one acre approximately 38.2%, two-acre approximately 27.3% and three-acre approximately 16.7%) with a small percentage of multi-family housing zones (approximately 7.6%).

Financial institutions located in the Town include: JPMorgan Chase Bank, M&T Bank, Newtown Savings Bank, Union Savings Bank, and Webster Bank in addition to Connex Credit Union.

MUNICIPAL EMPLOYMENT

	Full-time Equivalent Employees (FTE)				
Fiscal Year	**2027**	**2026**	**2025**	**2024**	**2023**
General Government................	203	200	198	167	172
Board of Education.................	557	555	549	527	473
Total.........................	760	755	747	694	645

Source: Town Officials.

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MUNICIPAL EMPLOYEES BY CATEGORY

The following is a breakdown by category of the Town's full-time equivalent employees:

Department	Number of Employees
General Government	
Police	59
Library	19
Highway Department	40
Land Use Group	8
Social Services/Senior Center	9
Parks & Recreation	18
Other	50
Total General Government	203
Board of Education	
Administration and Principals	26
Teachers	290
Paraprofessionals	107
Other	134
Total Board of Education	557
Grand Total	760

Source: Town Officials.

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MUNICIPAL EMPLOYEES' BARGAINING ORGANIZATIONS

Employees	Organization	Employees Covered	Contract Expiration
	General Government		
Highway / Parks & Rec........	Connecticut Association of Labor Unions	25	6/30/2028
Clerical................................	Local 136, International Federation of Professional and Technical Engineers	38	6/30/2028
Police - Uniform Officers..	Monroe Police Union, Fraternal Order of Police, Lodge 50	42	6/30/2028
Supervisors..........................	Local 818, Council #4 AFSCME, AFL-CIO	15	6/30/2026 [1]
	Sub-total General Government	120	
	Non-Bargaining and part-time	83	
	Total General Government	203	
	Board of Education		
Administrators.....................	Monroe Association of School Administrators	23	6/30/2027
Teachers...............................	Monroe Education Association	290	6/30/2029
Paraprofessionals................	United Public Service Employees Union	107	6/30/2028
Secretaries...........................	United Public Service Employees Union	25	6/30/2026 [1]
Custodial..............................	United Public Service Employees Union	28	6/30/2028
Nurses..................................	United Public Service Employees Union	7	6/30/2029
Librarians.............................	United Public Service Employees Union	2	6/30/2026 [1]
	Sub-total Board of Education	482	
	Non-Bargaining and part-time	75	
	Total Board of Education	557	
	Total Town of Monroe	760	

[1] In negotiation.

Source: Town of Monroe.

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

EDUCATIONAL SYSTEM

The Board of Education is independent from the municipal government in governance and operation of the school system. The Board of Education is required by Town Charter to submit an annual budget to the First Selectman and Director of Finance. The Board of Education budget is included in the Town's operating budget and submitted to the Town Council who cannot alter the education budget but can make recommendations to the Board of Finance on that budget. The total budget is then submitted to the Board of Finance who may adjust only the total amount of the Board of Education budget.

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

EDUCATIONAL FACILITIES

School	Grades	Date of Construction (Additions, Remodeling)	No. of Classrooms	Enrollment 10/1/2025	Capacity
Monroe..............................	Pre-K-5	1935 (1947,1953,1957,1983)	22	395 [1]	393
Stepney..............................	K-5	1962 (1989)	25	488	545
Fawn Hollow.....................	K-5	1966 (1989)	32	675	697
Jockey Hollow.................	6-8	1998	30	788 [2]	713
Masuk High School..........	9-12	1958 (1963,1977,2006)	62	1,039	1,471
Total				3,385	3,819

[1] Includes 90 half-day Pre-K students.

[2] Includes 225 students in the STEM Academy located at Masuk High School.

Source: Superintendent's office, Town of Monroe.

SCHOOL ENROLLMENT

School Year	PK-5	6-8	9-12	Total
Actual				
2016-17	1,337	782	1,061	3,180
2017-18	1,325	786	1,027	3,138
2018-19	1,339	756	1,013	3,108
2019-20	1,362	755	1,006	3,123
2020-21	1,357	773	1,041	3,171
2021-22	1,486	783	1,076	3,345
2022-23	1,559	774	1,050	3,383
2023-24	1,629	759	1,067	3,455
2024-25	1,612	768	1,078	3,458
2025-26	1,558	788	1,039	3,385
Projections				
2026-27	1,566	804	1,038	3,408
2027-28	1,538	846	1,055	3,439
2028-29	1,565	860	1,082	3,507
2029-30	1,527	916	1,103	3,546

Source: Superintendent's office, Town of Monroe.

POPULATION TRENDS

Year	Town of Monroe	Fairfield County	Greater Bridgeport Planning Region [1]	State of Connecticut
1980	13,952	807,143	n/a	3,107,576
1990	16,896	857,270	n/a	3,287,116
2000	19,247	882,567	n/a	3,405,565
2010	19,316	905,342	n/a	3,545,837
2024	18,949	n/a	329,259	3,624,508

[1] Starting with the 2018-22 American Community Survey data, the county level area was changed to reflect the Greater Bridgeport Planning Region.

Source: U.S. Census Bureau.

AGE DISTRIBUTION OF THE POPULATION

	Town of Monroe		Greater Bridgeport Planning Region		State of Connecticut	
Age	Number	Percent	Number	Percent	Number	Percent
Under 5...........	1,392	7.3	17,773	5.4	181691	5.0
5 - 9...............	1,403	7.4	19,548	5.9	195,164	5.4
10 - 14...........	1,367	7.2	21,437	6.5	214,972	5.9
15 - 19...........	951	5.0	25,471	7.7	239,710	6.6
20 - 24...........	1,073	5.7	22,779	6.9	238387	6.6
25 - 34...........	1,489	7.9	37,518	11.4	454,892	12.6
35 - 44...........	2,320	12.2	42,634	12.9	460,916	12.7
45 - 54...........	2,927	15.4	43,920	13.3	453,917	12.5
55 - 59...........	1,819	9.6	22,143	6.7	256,068	7.1
60 - 64...........	1,245	6.6	23,235	7.1	258,234	7.1
65 - 74...........	1,977	10.4	30,517	9.3	386,232	10.7
75 - 84...........	693	3.7	14,729	4.5	196,373	5.4
85 and over.....	293	1.5	7,555	2.3	87,952	2.4
Total...........	18,949	100.0	329,259	100.0	3,624,508	100.0
Median Age....	43.5		39.8		41.1	

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

SELECT WEALTH AND INCOME INDICATORS

	Median Family Income		Per Capita Income	
	(2010)	(2024)	(2010)	(2024)
Town of Monroe..	$ 119,357	$ 188,926	$ 43,842	$ 72,872
Fairfield County..	100,593	n/a	48,295	n/a
Greater Bridgeport Planning Region [1]…..	n/a	116,373	n/a	52,385
Connecticut..	84,170	122,706	36,775	55,915
United States..	62,982	99,999	27,334	44,673

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

INCOME DISTRIBUTION

	Town of Monroe		Greater Bridgeport Planning Region		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent
Less than $10,000......	47	1.0	2,253	2.8	24,004	2.6
10,000 to 14,999........	0	0.0	1,397	1.7	12,584	1.4
15,000 to 24,999........	0	0.0	2,857	3.6	27,285	3.0
25,000 to 34,999........	76	1.6	3,656	4.6	33,429	3.6
35,000 to 49,999........	67	1.4	6,060	7.6	59,826	6.5
50,000 to 74,999........	170	3.5	9,358	11.7	106,611	11.6
75,000 to 99,999........	416	8.5	9,207	11.5	106,893	11.6
100,000 to 149,999...	799	16.3	13,704	17.1	182,785	19.8
150,000 to 199,999...	1,318	26.9	9,982	12.4	131,310	14.3
200,000 or more.........	1,998	40.9	21,750	27.1	236,661	25.7
	4,891	100.0	80,224	100.0	921,388	100.0

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

EDUCATIONAL ATTAINMENT

Years of School Completed Age 25 and Over

	Town of Monroe		Greater Bridgeport Planning Region		State of Connecticut	
Educational Attainment Group	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade...........................	168	1.3	15,564	7.0	101,458	4.0
9th to 12th grade..............................	185	1.4	12,860	5.8	114,887	4.5
High School graduate........................	2,042	16.0	53,673	24.1	647,192	25.3
Some college, no degree..................	2,139	16.8	33,560	15.1	410,903	16.1
Associates degree............................	914	7.2	13,820	6.2	195,081	7.6
Bachelor's degree.............................	3,773	29.6	52,739	23.7	595,631	23.3
Graduate or professional degree.....	3,542	27.8	40,035	18.0	489,432	19.2
Total..................................	12,763	100.0	222,251	100.0	2,554,584	100.0
Percent of High School Graduates..		97.2%		87.2%		91.5%
Percent of College Graduates..........		57.3%		41.7%		42.5%

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

MAJOR EMPLOYERS

Name of Employer	Nature of Entity	Number of Employees
Town of Monroe	Government and education	760
Biomerics NLE, LLC	Engraving & Electopolishing Services	215
Church Hill Classics LTD	Classroom supplies	154
Swiss Army Brands Inc. (Victorinox)	Headquarters/Disribution	130
Stop & Shop	Supermarket	126
Big Y Supermarket	Supermarket	120
Coherent Ceramics Inc. (M Cubed Tech)	Ceramic Componant MFG	103
Edgerton, Inc	HVAC Sales & Service, Oil & Propane	78
DHD Windows & Doors LLC (Pella Windows & Doors)...	Window Sales and Installation	70
Sippin Brothers Oil Co Inc. (Sippin Energy Products)	HVAC Sales & Service, Oil & Propane	60
		1,816

Source: Town officials.

EMPLOYMENT BY INDUSTRY

	Town of Monroe		Greater Bridgeport Planning Region		State of Connecticut	
Employment Sector	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting & Mining	19	0.2	224	0.1	7,132	0.4
Construction	746	7.5	11,558	7.1	113,006	6.1
Manufacturing	1,142	11.4	14,338	8.8	198,526	10.7
Wholesale Trade	228	2.3	3,484	2.1	35,592	1.9
Retail Trade	963	9.7	18,846	11.5	192,698	10.4
Transportaion, Warehousing & Utilities	417	4.2	7,479	4.6	87,076	4.7
Information	314	3.1	3,350	2.0	37,488	2.0
Finance, Insurance & Real Estate	868	8.7	14,376	8.8	161,226	8.7
Professional, Scientific & Management	1,113	11.2	22,260	13.6	228,229	12.3
Educational Services & Health Care	3,167	31.7	43,173	26.4	496,559	26.8
Arts, Entertainment, Recreation & Food Services	400	4.0	12,581	7.7	143,851	7.8
Other Service (including nonprofit)	115	1.2	7,362	4.5	80,617	4.4
Public Administration	487	4.9	4,801	2.9	67,864	3.7
Total	9,979	100.0	163,832	100.0	1,849,864	100.0

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

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EMPLOYMENT DATA [1]

Period	Town of Monroe Employed[1]	Town of Monroe Unemployed[1]	Percentage Unemployed: Town of Monroe (%)[1]	Percentage Unemployed: Bridgeport Labor Market (%)[1]	Percentage Unemployed: State of Connecticut (%)[1]
January-June 2026..	9,950	486	4.7	5.1	5.3
Annual Average					
2025........................	10,434	362	3.4	3.8	3.9
2024........................	9,735	337	3.4	3.7	3.5
2023........................	9,649	383	3.8	3.9	3.7
2022........................	9,775	410	4.0	4.2	4.2
2021........................	9,133	528	5.5	6.3	6.3
2020........................	9,029	680	7.0	8.1	7.9
2019........................	9,850	359	3.5	3.6	3.6
2018........................	9,797	354	3.5	3.9	3.9
2017........................	9,787	448	4.4	4.4	4.4
2016........................	9,732	445	4.4	4.8	4.8

[1] Not seasonally adjusted.

Source: Department of Labor, State of Connecticut.

AGE DISTRIBUTION OF HOUSING

Year Structure Built	Town of Monroe Number	Town of Monroe Percent	Greater Bridgeport Planning Region Number	Greater Bridgeport Planning Region Percent	State of Connecticut Number	State of Connecticut Percent
Built 2020 or later..........	0	0.0	986	0.8	10,811	0.7
Built 2010 to 2019.........	223	3.4	4,683	3.7	69,596	4.5
Built 2000 to 2009.........	353	5.4	5,868	4.6	109,783	7.1
Built 1990 to 1999.........	885	13.4	7,443	5.9	115,803	7.5
Built 1980 to 1989.........	1,614	24.5	13,058	10.3	199,083	12.9
Built 1970 to 1979.........	1,039	15.8	15,534	12.3	210,797	13.7
Built 1960 to 1969.........	891	13.5	15,721	12.4	199,847	13.0
Built 1950 to 1959.........	898	13.6	20,615	16.3	217,807	14.1
Built 1940 to 1949.........	208	3.2	13,234	10.5	96,711	6.3
Built 1939 or earlier.......	478	7.3	29,435	23.3	311,584	20.2
Total housing units.......	6,589	100.0	126,577	100.0	1,541,822	100.0

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

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HOUSING INVENTORY

Type	Town of Monroe Units	Percent
1-unit detached	5,646	85.7
1-unit attached	406	6.2
2 to 4 units	256	3.9
5 to 9 units	281	4.3
10 or more units	-	-
Mobile home, trailer, other	-	-
Total Inventory	6,589	100.0

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

OWNER-OCCUPIED HOUSING VALUES

	Town of Monroe		Greater Bridgeport Planning Region		State of Connecticut	
Value of Owner Occupied Units	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than $50,000	102	1.7	2,324	3.0	23,262	2.4
50,000 to 99,999	11	0.2	1,819	2.3	14,209	1.5
100,000 to 149,999	31	0.5	2,638	3.4	31,134	3.3
150,000 to 199,999	19	0.3	3,007	3.8	65,851	6.9
200,000 to 299,999	318	5.4	7,490	9.5	205,349	21.5
300,000 to 499,999	2,462	41.4	25,950	33.0	350,277	36.8
500,000 to 999,999	2,880	48.5	26,471	33.7	197,853	20.8
1,000,000 and over	117	2.0	8,851	11.3	65,054	6.8
Total	5,940	100.0	78,550	100.0	952,989	100.0
Median Value	$503,200		$468,300		$366,900	

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

DWELLING UNITS

2024	2010	1990	1980	% Increase 2000-2024	% Increase 1980-2022
6,589	6,755	5,596	4,131	-2.5%	59.5%

Source: U.S. Census Bureau.

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BUILDING PERMITS [1]

Fiscal Year	Number of Permits	Value of Permits
2026	1,309	$ 30,295,000
2025	1,192	45,306,693
2024	909	31,195,576
2023	1,333	40,333,423
2022	627	18,021,851

[1] As of June 30, 2026.

Source: Building Department, Town of Monroe.

LAND USE SUMMARY

Land Use Category	Total Acreage by Zoning	Percent of Total Land
Residential and Farming District 1...........	6,526	39.7
Residential and Farming District 2...........	4,418	26.9
Residential and Farming District 3...........	2,373	14.4
Age Restricted Distrcit.............................	101	0.6
Multifamily Residence District................	578	3.5
Recreational Residence District...............	755	4.6
Housing Opportunity District....................	25	0.2
Business District 1....................................	264	1.6
Business District 2....................................	170	1.0
Limited Office Retail District..................	71	0.4
Industrial District 1...................................	104	0.6
Industrial District 2...................................	809	4.9
Industrial District 3...................................	188	1.1
Stevenson Business District......................	45	0.3
	16,427	100.0

Source: Town officials.

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ASSESSMENTS

Section 12-62 et. seq. of the Connecticut General Statutes governs real property assessments and establish the revaluation cycle for Connecticut municipalities of a revaluation every five years and, generally, a physical inspection every ten years. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. However, the statute permits the phase-in of a real property assessment increase resulting from a revaluation over a period of up to five years. The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor’s Office. The Grand List represents the total assessed values for all taxable and tax-exempt real estate, taxable personal property, and motor vehicles located within the Town as of October 1. Assessments for real and personal property are computed at seventy percent (70%) of the market value at the time of last revaluation, and at 70% of the annual approval of Motor Vehicles by the Office of Policy and Management. Grand List information is used by municipalities to set the mill rate which in turn becomes the basis for the Towns’ annual tax levy. Any property owner may seek to appeal its assessment by filing a written appeal to a Town’s Board of Assessment Appeals. The Board of Assessment Appeals elects to hear such appeals and determines whether adjustments to the Assessor’s list relating to assessments under appeal are warranted. Under Connecticut law, taxpayers who are dissatisfied with a decision by a Town’s Board of Assessment Appeals may appeal the decision to the Connecticut Superior Court. Pending the appeal, 75 to 90 percent of the taxes due must be paid, depending on the value of the assessed property. The Town last performed a revaluation on October 1, 2024 which was effective for fiscal year 2025-26.

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. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of the last revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the municipalities by the State of Connecticut Department of Motor Vehicles and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials and as recommended by the State of Connecticut Office of Policy and Management. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next July 31 are subject to property tax as follows: 1) vehicles registered subsequent to November 1 but prior to the following August 1, are subject to a prorated tax based on the period of time from the date of registration until the following October 1; 2) vehicles purchased in August and September are not taxed until the next October 1 Grand List. With respect to replacement vehicles (as compared to additional vehicles) Section 12-71b provides for similar prorating of taxes on the new vehicle and a credit with respect to taxes due on the replaced vehicle during the assessment year.

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

Section 12-24a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner occupied residences to the extent that the taxes exceed eight percent of the owner’s total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such a rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien.

Public Act 06-176 permits a municipality upon approval of its legislative body to freeze the real property taxes due for certain low-income elderly residents. Any municipality providing such property tax relief may place a lien upon such property in the amount of the total tax relief granted plus interest.

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 29.88 mills.

PROPERTY TAX COLLECTION PROCEDURE

Property taxes are levied on all taxable assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Real and personal property taxes are generally payable in two installments on July 1 and January 1, except that real and personal property taxes under $100 are payable in one installment on July 1. Motor vehicle tax bills are payable in July and motor vehicle supplemental bills are payable in January. Personal property taxes of $100.00 or less are payable in July. A margin against delinquencies, legal reductions, and Grand List adjustments, such as Assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least four times a year with interest charged at the rate of one and one-half percent per month with a minimum charge of $2. In accordance with State law, the oldest outstanding tax is collected first. 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, real estate, and personal property tax accounts are transferred to a suspense account when collection appears unlikely at which time they cease to be carried as receivables. Tax accounts are transferred to suspense accounts no later than fifteen years after the due date in accordance with state statutes.

COMPARATIVE ASSESSED VALUATIONS

Grand List Dated	Real Property	Motor Vehicle Property	Personal Property	Gross Taxable Grand List	Less Exemptions[1]	Net Taxable Grand List	% Growth
10/1/25	$2,924,498,331	$218,446,308	$218,457,211	$3,361,401,850	$43,524,065	$3,317,877,785	1.5%
10/1/24 [2]	2,897,427,705	207,368,520	205,084,817	3,309,881,042	40,477,116	3,269,403,926	36.9%
10/1/23	2,001,062,409	239,009,326	176,954,866	2,417,026,601	28,283,091	2,388,743,510	1.5%
10/1/22	1,986,060,849	244,856,243	147,851,223	2,378,768,315	25,615,224	2,353,153,091	0.4%
10/1/21	1,973,108,909	260,740,605	137,032,617	2,370,882,131	27,279,545	2,343,602,586	3.2%
10/1/20	1,965,320,060	210,934,693	120,836,911	2,297,091,664	26,467,189	2,270,624,475	1.1%
10/1/19 [2]	1,960,163,060	194,208,476	114,111,001	2,268,482,537	23,361,940	2,245,120,597	1.6%
10/1/18	1,932,911,126	193,415,503	110,567,293	2,236,893,922	26,162,885	2,210,731,037	0.7%
10/1/17	1,925,502,856	192,776,335	102,767,145	2,221,046,336	25,323,099	2,195,723,237	0.6%
10/1/16	1,917,651,143	192,395,982	95,313,866	2,205,360,991	22,090,976	2,183,270,015	0.3%

[1] Connecticut General Statutes Section 12-81 (72) exempts new manufacturing equipment from property taxation by municipalities.
[2] Revaluation year.

Source: Assessor's Office, Town of Monroe.

Grand List Dated	Residential Property	Commercial/ Industrial/ Public Utility Property	Vacant Land Property	Sub-Total Real Property
10/1/25	$2,581,464,085	$321,504,206	$ 21,830,040	$ 2,924,798,331
10/1/24 [1]	2,559,214,264	313,045,721	25,167,720	2,897,427,705
10/1/23	1,709,990,630	269,621,459	21,450,320	2,001,062,409
10/1/22	1,699,284,610	264,241,819	22,534,420	1,986,060,849
10/1/21	1,692,923,905	256,548,439	23,636,565	1,973,108,909
10/1/20	1,684,569,440	256,375,810	24,374,810	1,965,320,060
10/1/19 [1]	1,679,758,120	255,208,620	25,196,320	1,960,163,060
10/1/18	1,653,973,621	253,040,465	25,903,340	1,932,917,426
10/1/17	1,646,277,486	251,811,130	27,414,240	1,925,502,856
10/1/16	1,640,527,840	246,377,500	30,745,803	1,917,651,143

[1] Revaluation year.

Source: Assessor's Office, Town of Monroe.

PROPERTY TAX LEVIES AND COLLECTIONS

Fiscal Year Ending 30-Jun	Net Taxable Grand List	Tax Rate (In Mills)	Total Adjusted Tax Levy	% Collected End of Each FY	Uncollected End of Each FY	Uncollected As of 6/30/2026 [1]
2027 [2]	$3,317,877,785	29.88	$98,255,003	n/a	In process	In process
2026 [1, 3]	3,269,403,926	28.67	94,178,066	98.87 %	$1,067,075	$1,067,075
2025	2,388,743,510	38.27	90,505,543	98.63	1,155,677	577,300
2024	2,353,153,091	37.55	87,640,304	98.79	1,058,816	208,361
2023	2,343,602,586	36.86	84,748,960	98.87	957,894	125,495
2022	2,270,624,475	36.36	81,982,758	98.96	849,990	121,414
2021 [3]	2,245,120,597	35.48	79,117,592	99.03	806,606	96,628
2020	2,210,731,037	35.58	78,016,881	98.77	955,892	61,424
2019	2,195,723,237	35.24	76,792,484	99.06	710,715	35,070
2018	2,183,270,015	35.76	76,796,399	98.91	834,822	23,187

[1] Unaudited estimate.
[2] Adopted budget.
[3] Revaluation year.

Source: Tax Collector's Office, Town of Monroe.

TEN LARGEST TAXPAYERS[1]

Business-Name	Nature of Business	Total Estimated Assessment	% of Net Taxable Grand List
Connecticut Light & Power Co (Eversource Energy)..	Electric Utility..................................	$ 50,517,050	1.5%
FirstLight CT Housatonic LLC......................................	Hydro Electric Generation..............	33,762,716	1.0%
Aquarion Water Company of Connecticut [2]…...............	Corporate HQ & Distribution...........	20,150,260	0.6%
NBC Sports Network LP..	Storage of Media Equipment............	16,742,830	0.5%
Yankee Gas Services Co (Eversource Energy).............	Gas Utility..	13,037,560	0.4%
NBC Universal Media LLC/DBA Olympics..................	Storage of Media Equipment............	11,008,490	0.3%
Swiss Army Land Inc..	Corporate HQ & Distribution...........	9,503,590	0.3%
One Eleven Century Plaza LLC......................................	Commercial Property.......................	8,739,120	0.3%
Monroe 205 Unit 3 LLC...	Self Storage Facility..........................	7,685,580	0.2%
Clocktower Square #1 LLC..	Commercial Property.......................	7,101,200	0.2%
	Total	$178,248,396	5.4%

[1] Based on a 10/1/25 Net Taxable Grand List of $3,317,877,785.

[2] Aquarion Water Company of Connecticut, formerly a division of Eversource Energy ("Aquarion") , was acquired by the Aquarion Water Authority (the "Authority") pursuant to an acquisition agreement originally executed in January 2025, as amended. The acquisition was approved by the Connecticut Public Utilities Regulatory Authority ("PURA") in March 2026 following a number of legal challenges. Under the terms of the Public Act which created the Authority, and the regulatory approval from PURA, the Authority is required to make Payments-in-Lieu-of-Taxes ("PILOT") payments to the municipalities in which it owns property at an amount not less than what Aquarion paid in property taxes associated with such municipality's October 2024 grand list. The PILOT payments are subordinate to and paid only after provisions are made for payment of debt service on the Authority's bonds. However, in the event of the failure by the Authority to make the required PILOT payments, an aggrieved municipality or holder of the Authority's bonds may apply for a judicial order directing the Authority to increase appropriately its rates and charges sufficient to pay such PILOT payments.

Source: Assessor's Office, Town of Monroe.

EQUALIZED NET GRAND LIST

Grand List as of 10/1	Equalized Net Grand List	% Growth
2024 [1]	$4,665,978,735	-7.08%
2023	5,021,532,962	10.31%
2022	4,552,005,603	5.58%
2021	4,311,557,848	17.01%
2020	3,684,657,809	16.00%
2019 [1]	3,176,321,139	-5.83%
2018	3,373,117,218	6.21%
2017	3,175,907,795	0.01%
2016	3,175,730,981	1.97%
2015	3,114,308,719	1.56%

[1] Revaluation. In revaluation years, the Office of Policy and Management does not perform a sales to assessment analysis to determined the Equalized Net Grand List. A sales to assessment analysis is performed in all non-revaluation years.

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

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FISCAL YEAR

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

ACCOUNTING POLICIES

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

BUDGETARY PROCEDURES

Monroe Town Charter defines the Town's budgetary policy. Department heads, chairpersons of boards or commissions or any agency submit departmental requests to the First Selectman as scheduled. The First Selectman's Budget is delivered to the Town Council by February 8th. The Town Council shall hold one public hearing prior to forwarding the Budget to the Board of Finance by March 15th. The Board of Finance must hold one public hearing prior to submitting the budget to the First Selectman no later than April 20th. A Budget summary is published in the newspaper 5 days prior to the referendum and Public Input Session. A Budget referendum is held on the 1st Tuesday in May.

- Upon request by the First Selectman, the Board of Finance may transfer appropriations from one department to another within the fiscal year.
- Upon request by the First Selectman, the Town Council may transfer line items within department budgets within the fiscal year.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- Except for encumbrance accounting, the budget is prepared on the modified accrual basis of accounting.
- No constraints or limitations exist under the charter establishing minimum or maximum increases or decreases relating to the budgetary procedure or adoption of the mill rate.

All unencumbered appropriations lapse at year end, except those for the Capital Projects Fund and certain specific revenue funds. Appropriations for Capital Projects are continued until completion, even when projects extend beyond one or more fiscal years.

ANNUAL AUDIT

Pursuant to provisions of the Municipal Auditing Act (Chapter 111 of the Connecticut General statutes) the Town of Monroe Charter, the Town is obligated to undergo an annual examination by an independent certified public accountant. The independent auditors are required to conduct their examination under the guidelines issued by the State of Connecticut, Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. For the fiscal year ended June 30, 2023, the examination was conducted by the firm of PKF O'Conner Davies, LLP, accountants and advisors, of Wethersfield, Connecticut. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

PENSION PLANS

The Town has a contributory defined benefit retirement pension plan (the "Plan") which covers substantially all current Town and Board of Education employees except police department employees who participate in the Connecticut Municipal Employees' Retirement System Fund B (MERS), a cost-sharing, multiple-employer, contributory defined benefit plan established under Chapter 113 of the Connecticut General Statutes and administered by the Connecticut State Employees Retirement Commission, and teachers, who also participate in a contributory plan administered by the Connecticut State Teachers Retirement Board. The Plan is administered by the Town of Monroe Pension Committee, which utilized the services of Hooker & Holcombe for actuarial services, Fiducient Advisors for investment services and Principal as the custodian of the plan assets. The Plan was frozen in 2015 for all new Town employees and in 2022 for all new Board of Education employees. The Town has set up a defined contribution plan, pursuant to section 401(a) of the Internal Revenue Code, with a 3% employer match for all Town and Board of Education employees hired after those years. Beginning in fiscal year 2026-27, the employer match for Town employees was increased to 4%.

The Town has implemented Government Accounting Standards Board's (GASB) Statement No. 67. The following net pension liability at June 30, 2025, determined by an actuarial valuation as of July 1, 2024 and based on actuarial assumptions as of that date, were as follows:

	Town	Board of Education	Total
Total pension liability....................	$15,476,136	$16,813,002	$32,289,138
Plan fiduciary net postion.............	16,395,741	17,516,286	33,912,027
Net pension liability......................	$ (919,605)	$ (703,284)	$ (1,622,889)
Plan fiduciary net position as a % of total pension liability............	105.94%	104.18%	105.03%

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

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Town Employees' Net Pension Liability.............	$ 992,757	$ (919,605)	$ (2,543,183)
Board of Education Employees' Net Pension Liability.............	$ 1,192,386	$ (703,284)	$ (2,319,269)

The following represents historic trend information of the Town's Plans:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
Town Employee's Plan						
07/01/24	$15,224,636	$15,336,707	$ (112,071)	99.3%	$2,013,841	-5.6%
07/01/22	14,589,613	14,776,175	(186,562)	98.7%	2,625,161	-7.1%
07/01/20	13,141,199	13,984,975	(843,776)	94.0%	3,629,388	-23.2%
07/01/18	11,851,485	12,622,979	(771,494)	93.9%	3,678,680	-21.0%
07/01/16	10,399,570	11,725,741	(1,326,171)	88.7%	3,580,543	-37.0%
Board of Education Employee's Plan						
07/01/24	$16,122,571	$16,237,714	$ (115,143)	99.3%	$4,426,409	-2.6%
07/01/22	14,828,548	15,216,769	(388,221)	97.4%	4,447,702	-8.7%
07/01/20	13,134,328	14,467,279	(1,332,951)	90.8%	4,411,998	-30.2%
07/01/18	12,367,987	13,400,503	(1,032,516)	92.3%	4,588,373	-22.5%
07/01/16	11,195,105	12,541,374	(1,346,269)	89.3%	3,874,773	-34.7%

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Percentage Contributed
Town Employee's Plan			
2027 [1]	$ 138,896	$ 138,896	100.0%
2026 [2]	136,009	136,009	100.0%
2025	198,865	198,865	100.0%
2024	194,747	194,747	100.0%
2023	308,941	324,501	105.0%
Board of Education Employee's Plan			
2027 [1]	$ 251,363	$ 251,363	100.0%
2026 [2]	245,852	245,852	100.0%
2025	278,449	278,449	100.0%
2024	273,053	273,053	100.0%
2023	375,864	375,864	100.0%

[1] Adopted budget.
[2] Unaudited estimate.

Municipal Employees' Retirement System: Police department employees participate in the Municipal Employees' Retirement system ("MERS"). MERS is a cost-sharing multi-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

Connecticut State Teachers' Retirement System: The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. Certain part-time and all full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not and is not legally responsible to contribute to the plan.

Defined Contribution Retirement Savings Plan: Certain Town and Education employees are eligible to participate in a defined contribution retirement savings plan, administered by the Town known as the Town of Monroe 401(a) money purchase pension plan. This is in lieu of the defined benefit plan for certain Town and Education employees. The benefits and contributions requirements are established by approval of the Town Council. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employer contributions are based on union contracts. Employees may make additional contributions subject to IRS regulations. The Town matches contributions to 3% of base pay (4% beginning in FY2027 for Town employees). The Town matching contributions were $172,143 and the Board of Education were $112,216 for the year ended June 30, 2026.

For further information on the plans, please refer to Appendix A under the Town of Monroe's "Notes to Financial Statements, Note V", herein.

OTHER POST EMPLOYMENT BENEFITS ("OPEB")

The Town administers two single-employer defined benefit plans for employee post-employment benefits.

The first is the Police Other Post-employment Benefit Plan (the "Police Benefits Plan") which provides post-employment medical, dental and life insurance benefits for all eligible Police retirees and their spouses. Benefits and contributions are established by contract between the Town and the union representing the police officers. The retiree pays 25% of the cost for single coverage. The Town pays the remaining cost of coverage. The Town established the Town of Monroe Other Post-Employment Benefit Trust Fund for the plan year beginning July 1, 2016.

The second plan is the Board of Education Post-employment Welfare Benefit Plan (the "BOE Benefit Plan"), which provides medical, prescription drug and dental benefits for eligible employees and their spouses and life insurance benefits for retirees only in accordance with various collective bargaining agreements. Benefit provisions are established by the Town and the Connecticut General Statutes. The plan is funded on a pay-as-you-go basis and at this time Board of Education employees and retirees are not currently covered under the established trust for the Police employees.

The Town implemented Government Accounting Standards Board's ("GASB") Statement No. 74 for the Police Benefits Plan effective fiscal year ending June 30, 2017. In accordance with GASB Statement No. 74, the net position is based on the fair market value as of the end of the fiscal year and the total OPEB liability is based on the actuarial assumptions as of the prior valuation date updated to the end of the fiscal year. For the June 30, 2025 measurement, the discount rate used was 6.50%, and the long-term healthcare cost trend rate was 6.0% decreasing to 3.40%.

The following net OPEB liability of the Police Employees at June 30, 2025, determined by an actuarial valuation as of July 1, 2024 and based on actuarial assumptions as of that date, were as follows:

	Police Benefits Plan (Trust)				
	2025	**2024**	**2023**	**2022**	**2021**
Total OPEB liability.....................	$ 3,088,847	$ 2,766,183	$ 2,513,355	$ 2,973,334	$ 2,762,677
Plan fiduciary net postion............	3,295,040	2,717,669	2,235,915	1,797,427	1,801,566
Net pension liability.....................	$ (206,193)	$ 48,514	$ 277,440	$ 1,175,907	$ 961,111
Plan fiduciary net position as a % of total OPEB liability.............	106.68%	98.25%	88.96%	60.45%	65.21%

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

	Discount Rate Sensitivity		
	1% Decrease 5.50%	**Current Discount Rate 6.50%**	**1% Increase 7.50%**
Net OPEB Liability....	$117,539	($206,193)	($497,726)

The following represents the net OPEB liability of the Police Benefits Plan, calculated using the current healthcare trend rate, as well as what the Police Benefits Plan 's net OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current trend rate:

	Healthcare Cost Trend Rates		
	1% Decrease	**Current Rate**	**1% Increase**
Net OPEB Liability....	($622,758)	($206,193)	$289,964

The following represents historical information regarding the Police Benefits Plan's funding progress. The most recent complete actuarial valuation was effective July 1, 2024.

Police Benefits Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
7/1/2024	$ 2,669,478	$ 2,800,441	$ (130,963)	95.3%	$ 3,854,734	-3.40%
7/1/2022	1,876,161	2,267,773	(391,612)	82.7%	3,278,944	-11.94%
7/1/2020	1,119,033	2,551,692	(1,432,659)	43.9%	3,092,292	-46.33%
7/1/2018	695,238	1,990,586	(1,295,348)	34.9%	3,399,727	-38.10%
7/1/2016	252,339	1,948,967	(1,696,628)	12.9%	3,287,439	-51.61%

Police Benefits Plan

Fiscal Year	Acturial Required Contribution	Actual Contribution	Percentage Contributed
2027 [1]	$ 91,118	$ 151,270	166.0%
2026 [2]	88,176	149,873	170.0%
2025	104,435	173,332	166.0%
2024	101,767	155,430	152.7%
2023	188,225	241,617	128.4%

1 Adopted budget.
2 Unaudited estimate.

Due to the fact that a trust has not been established for the BOE Benefit Plan, the plan is not subject to GASB 74. However, the plan is subject to the reporting requirements of GASB 75. The following represents the Total OPEB liability as of June 30, 2025:

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Balance at start of fiscal year.........................	$ 8,666,465	$ 8,724,622	$ 13,064,258	$ 15,101,413	$ 13,486,635
Changes for the years:					
Service cost..	253,971	257,432	333,804	425,330	569,848
Interest on total OPEB liability.................	344,427	322,527	469,544	332,636	307,705
Difference between expected and actual experience....................................	(776,343)	(109,539)	(4,946,701) [1]	(315,852)	469,933
Changes in assumprions or other inputs....	(569,106)	(234,566)	74,318	(2,224,016)	535,184
Benefit payments..	(315,815)	(294,011)	(270,601)	(255,253)	(267,892)
Net changes..	(1,062,866)	(58,157)	(4,339,636)	(2,037,155)	1,614,778
Balance at end of fiscal year..........................	$ 7,603,599	$ 8,666,465	$ 8,724,622	$ 13,064,258	$ 15,101,413

1 The reduction in OPEB Liability was in part due to 44 non-certified active personnel electing to drop insurance coverage.

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

	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Net OPEB Liability.........	$8,345,571	$7,603,599	$6,955,038

The following represents the net OPEB liability of the BOE Benefits Plan, calculated using the current healthcare trend rate, as well as what the BOE Benefits Plan 's net OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability.........	$7,162,288	$7,603,599	$8,116,616

The following represents historical information regarding the BOE Benefit Plan. The most recent complete actuarial valuation was effective July 1, 2024.

BOE Benefits Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
7/1/2024	$ -	$ 8,383,275	$ (8,383,275)	0.0%	$38,138,968	-21.98%
7/1/2022	-	8,632,711	(8,632,711)	0.0%	35,936,062	-24.02%
7/1/2020	-	14,807,686	(14,807,686)	0.0%	35,330,761	-41.91%
7/1/2018	-	10,845,080	(10,845,080)	0.0%	34,532,000	-31.41%
7/1/2016	-	9,573,628	(9,573,628)	0.0%	31,548,000	-30.35%

Due to the transition to GASB Statement 74/75 and the fact that a trust has not been established for the BOE benefit Plan, the Town's actuary is no longer providing a Schedule of Employer Contributions.

For further information on the plans, please refer to Appendix A under the Town of Monroe's "Notes to Financial Statements, Note V", herein.

INVESTMENT POLICIES AND PRACTICES

The Town Charter and Connecticut General Statutes Sections 7-400, as amended by Public Act 94-190, 7-401 and 7-402 govern the investments the Town which it is permitted to acquire. Generally, the Town may invest in the State's Short Term Investment Fund, 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 Corporation, Federal National 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, and money market mutual funds.

The Town of Monroe manages the investment of its funds in compliance with its Charter and the Connecticut General Statutes.

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COMPARATIVE GENERAL FUND OPERATING STATEMENT
Budget and Actual
(Budgetary Basis)

	Fiscal Year 2024-25			Fiscal Year 2025-26	Fiscal Year 2026-27
	Revised Budget	Actual Operations	Variance Favorable (Unfavorable	Unaudited Estimate	Adopted Budget
REVENUES					
Property taxes, interest and liens.......	$ 89,727,241	$ 90,425,470	$ 698,229	$ 94,260,883	$ 99,066,698
Intergovernmental revenue.................	7,563,086	7,550,128	(12,958)	7,467,469	5,793,419
Charges for services...........................	2,138,915	2,290,244	151,329	2,172,546	2,363,700
Investment Income..............................	2,500,000	2,980,262	480,262	2,569,740	1,950,000
Other revenues....................................	95,000	39,837	(55,163)	130,276	95,000
TOTAL REVENUES.........................	$102,024,242	103,285,941	1,261,699	$106,600,914	$109,268,817
EXPENDITURES					
Current:					
General government........................	$ 10,395,293	9,564,562	830,731	$ 10,428,065	$ 12,707,505
Public safety....................................	10,038,081	9,643,765	394,316	9,911,939	11,102,456
Public works....................................	4,991,254	4,048,875	942,379	4,411,251	5,134,745
Health and welfare...........................	465,587	442,648	22,939	407,153	498,690
Culture and recreation.....................	1,585,644	1,515,583	70,061	1,678,439	1,769,965
Education..	71,464,260	71,252,517	211,743	74,166,573	77,700,763
Debt Service..	5,164,725	5,156,397	8,328	4,962,988	4,340,650
TOTAL EXPENDITURES...............	104,104,844	101,624,347	2,480,497	105,966,408	113,254,774
Excess (deficiency) of revenues over expenditures...........................	(2,080,602)	1,661,594	3,742,196	634,506	(3,985,957)
Other financing sources (uses):					
Appropriation of fund balance........	2,500,000	-	(2,500,000)	-	4,375,000
Sale of Capital Assets.....................			-	-	-
Operating transfers in......................	471,736	740,297	268,561	-	-
Operating transfers out...................	(891,134)	(2,133,134)	(1,242,000)	(1,386,590)	(389,043)
Total Other financing sources (uses)	2,080,602	(1,392,837)	(3,473,439)	(1,386,590)	3,985,957
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses........................	$ -	268,757	$ 268,757	$ (752,084)	$ -

Source: Fiscal Year 2024-25 Audited Financial Statements; fiscal year 2025-26 unaudited estimate and fiscal year 2026-27 adopted budget.

GENERAL FUND BALANCE SHEET
Summary of Audited Assets and Liabilities
(GAAP Basis)

Fiscal Year Ended:	2021	2022	2023	2024	2025
ASSETS					
Cash and cash equivalents	$ 422,761	$ 159,304	$ 170,625	$ 197,972	$ 223,557
Investments	28,474,998	37,715,579	36,419,287	37,762,968	38,258,324
Restricted cash/investments	1,119,000	1,049,736	999,736	915,556	888,406
Property taxes receivable	1,559,216	1,651,968	2,174,834	2,500,938	3,056,592
Intergovernmental receivables	153,488	-	-	-	
Other receivables	-	183,942	109,829	135,070	136,030
Leases	-	3,159,091	4,054,354	4,046,015	4,033,977
Due from other funds	815,414	1,206,804	3,284,710	4,360,045	5,905,593
Other assets	-	-	279,211		
Total Assets	$32,544,877	$45,126,424	$47,492,586	$49,918,564	$52,502,479
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued liabilities	$ 2,163,941	$ 2,516,994	$ 2,213,135	$ 1,930,436	$ 2,333,797
Accrued payroll and related	599,618	858,047	581,439	773,310	990,184
Due to other funds	5,049,790	12,587,699	9,565,660	11,325,403	12,709,433
Unearned revenues	23,715	7,239	72	72	-
Performance bonds	1,076,736	1,049,736	999,736	915,556	888,406
Other	62,889	116,688	50,084	75,406	115,376
Total Liabilities	8,976,689	17,136,403	13,410,126	15,020,183	17,037,196
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	1,559,216	1,651,968	2,174,834	2,500,938	3,056,592
Unavailable revenue - leases	-	3,066,526	3,865,167	3,742,273	3,619,379
Total Deferred Inflows of Resources	1,559,216	4,718,494	6,040,001	6,243,211	6,675,971
FUND BALANCES					
Nonspendable	-	-	189,187	291,704	398,634
Restricted	371,072	444,848	371,509	371,509	371,509
Committed	4,421,089	1,612,815	1,622,815	1,882,815	1,744,845
Assigned	3,202,816	810,000	2,718,363	2,684,732	4,692,793
Unassigned	14,013,995	20,403,864	23,140,585	23,424,410	21,581,531
Total Fund Balances	22,008,972	23,271,527	28,042,459	28,655,170	28,789,312
Total Liabilities, deferred inflows of Resources and fund balances	$32,544,877	$45,126,424	$47,492,586	$49,918,564	$52,502,479

Source: Audited Financial Statements.

GENERAL FUND REVENUES AND EXPENDITURES

Summary of Audited Revenues and Expenditures

(GAAP Basis)

Fiscal Year Ended:	2021	2022	2023	2024	2025
REVENUES					
Property taxes	$79,305,702	$82,184,039	$84,771,078	$87,727,530	$90,425,470
Intergovernmental revenue	17,496,142	14,697,249	19,829,623	18,585,135	18,666,053
Charges for services	1,970,596	2,305,634	2,133,743	2,235,877	2,401,100
Contributions	34,034	23,414	-	-	-
Investment income (loss)	65,756	127,891	2,143,017	3,100,586	2,980,262
Miscellaneous revenues	35,562	125,504	79,136	46,091	39,837
TOTAL REVENUES	98,907,792	99,463,731	108,956,597	111,695,219	114,512,722
EXPENDITURES					
Current:					
General government	8,442,464	8,717,767	8,678,066	8,842,777	9,877,243
Public safety	8,032,443	8,301,826	8,561,230	9,128,488	9,648,285
Public Works	3,452,530	3,495,377	3,487,047	3,984,186	4,150,941
Health and welfare	569,189	373,024	372,978	357,635	442,648
Culture and recreation	1,591,392	1,692,494	1,830,375	1,472,581	1,516,335
Education	64,973,834	69,460,250	74,051,861	77,765,502	82,368,442
Capital outlays	1,474	-	-	-	-
Debt service	6,212,747	6,151,971	6,096,747	5,933,677	5,156,397
TOTAL EXPENDITURES	93,276,073	98,192,709	103,078,304	107,484,846	113,160,291
Excess (deficiency) of revenues over expenditures	5,631,719	1,271,022	5,878,293	4,210,373	1,352,431
Other financing sources (uses):					
Operating transfers in	433,338	422,272	453,448	131,381	490,297
Operating transfers out	(1,838,556)	(430,739)	(1,560,809)	(4,721,868)	(1,708,586)
Sale of capital assets	-	-	-	992,825	-
Total other financing sources (uses)	(1,405,218)	(8,467)	(1,107,361)	(3,597,662)	(1,218,289)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	4,226,501	1,262,555	4,770,932	612,711	134,142
Fund Balance - July 1	17,782,471	22,008,972	23,271,527	28,042,459	28,655,170
Fund Balance - June 30	$22,008,972	$23,271,527	$28,042,459	$28,655,170	$28,789,312

Source: Audited Financial Statements.

PROPERTY TAX REVENUES

Fiscal Year	General Fund Revenues	Property Tax Revenues	Property Taxes as a Percentage of General Fund Revenues
2027 [1]	$109,268,817	$99,066,698	90.7 %
2026 [2]	106,600,914	94,260,883	88.4
2025	115,003,019	90,425,470	78.6
2024	112,819,425	87,423,800	77.5
2023	109,410,045	84,771,078	77.5
2022	99,886,003	82,184,039	82.3
2021	99,341,130	79,305,702	79.8
2020	95,296,644	77,801,930	81.6
2019	95,220,545	77,492,761	81.4
2018	97,355,639	76,743,249	78.8

[1] Adopted budget. Budgetary basis of accounting, excludes Teachers' Pension on-behalf payments.

[2] Unaudited estimate. Budgetary basis of accounting, excludes Teachers' Pension on-behalf payments.

INTERGOVERNMENTAL REVENUES

Fiscal Year	General Fund Revenues	Federal & State Aid	Aid As a Percentage Of General Fund Revenues
2027 [1]	$109,268,817	$ 5,793,419	5.3 %
2026 [2]	106,600,914	7,467,469	7.0
2025	115,003,019	7,550,128	6.6
2024	112,819,425	7,367,498	6.5
2023	109,410,045	19,823,623	18.1
2022	99,886,003	14,697,249	14.7
2021	99,341,130	17,496,142	17.6
2020	95,296,644	14,970,764	15.7
2019	95,220,545	15,003,724	15.8
2018	97,355,639	18,055,609	18.5

[1] Adopted budget. Budgetary basis of accounting, excludes Teachers' Pension on-behalf payments.

[2] Unaudited estimate. Budgetary basis of accounting, excludes Teachers' Pension on-behalf payments.

MUNICIPAL BUDGET EXPENDITURES CAP

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

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

Under the Act, municipal spending does not include expenditures: (1) for debt service, special education, costs to implement court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of $100,000 or more, or payments on unfunded pension liabilities; (2) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; or (3) for any municipal revenue sharing grant the municipality disburses to a special taxing district, up to the difference between the amount of property taxes the district levied on motor vehicles in the 2013 assessment year and the amount the levy would have been had the motor vehicle mill rate been 32 mills, for Fiscal Year 2017 disbursements, or 29.63 mills, for Fiscal Year 2018 disbursements and thereafter. In addition, if budget expenditures exceed the 2.5% cap, but are proportional to population growth from the previous year, the municipal revenue sharing grant will not be reduced.

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

EXPENDITURES

Fiscal Year	Education	General Government	Public Safety	Debt Service	Public Works
2027 [1]	68.6 %	11.2 %	9.8 %	3.8 %	4.5 %
2026 [2]	69.1	9.7	9.2	4.6	4.1
2025	71.7	8.6	8.4	4.5	3.6
2024	69.3	7.9	8.1	5.3	3.6
2023	70.8	8.3	8.2	5.8	3.3
2022	70.4	8.8	8.4	6.2	3.5
2021	68.3	8.9	8.4	6.5	3.6
2020	69.8	8.8	8.2	6.4	3.5
2019	69.7	9.1	8.3	6.2	3.9
2018	70.7	8.7	7.9	6.4	2.7

[1] Adopted budget. Budgetary basis of accounting, excludes Teachers' Pension on-behalf payments.

[2] Unaudited estimate. Budgetary basis of accounting, excludes Teachers' Pension on-behalf payments.

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VI. DEBT SUMMARY

PRINCIPAL AMOUNT OF INDEBTEDNESS
As of September 9, 2026
(Pro Forma)

Long-Term Debt

Date of Issue	Issue	Coupon Rate %	Original Issue Amount	Debt Outstanding Including This Issue	Fiscal Year of Final Maturity
General Purpose					
11/01/16	General Purpose, Refunding Series B.....	2.00 - 4.00	$ 6,490,000	$ 635,000	2029
06/26/18	General Purpose, Series A.....................	3.00 - 5.00	5,435,000	1,075,000	2028
12/03/19	General Purpose....................................	4.00 - 5.00	2,315,000	920,000	2030
01/16/20	General Purpose, Refunding..................	4.00 - 5.00	2,003,000	880,000	2030
11/23/21	General Purpose....................................	2.00 - 4.00	9,815,000	6,700,000	2041
07/16/24	General Purpose....................................	4.00 - 5.00	5,010,000	4,002,000	2034
09/09/26	*General Purpose (This Issue)*...............	4.00 - 5.00	4,955,000	4,955,000	2037
			$ 36,023,000	$ 19,167,000	
Schools					
11/01/16	Schools, Refunding Series B..................	2.00 - 4.00	$ 730,000	$ 305,000	2029
06/26/18	Schools, Series A..................................	3.00 - 5.00	2,650,000	530,000	2028
01/16/20	Schools, Refunding................................	4.00 - 5.00	1,812,000	795,000	2030
07/16/24	Schools..	4.00 - 5.00	560,000	448,000	2034
09/09/26	*Schools (This Issue)*..............................	4.00 - 5.00	900,000	900,000	2037
			$ 6,652,000	$ 2,978,000	
	Total Long-Term Debt...........		$ 42,675,000	$ 22,145,000	

Short-Term Indebtedness

The Town currently has no outstanding short-term indebtedness.

CAPTIAL LEASES

The Town has entered into a multi-year capital lease agreement for energy conservation improvements. The present value of future minimum lease payments as of June 30, 2026 was $318,000. These payments are not included in outstanding bonded debt.

SCHOOL BUILDING GRANT REIMBURSEMENTS

Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, for all school building projects approved after July 1, 1996, the State provides proportional progress payments during construction for the State's share of the eligible construction costs. The State grant will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its Bonds only for its share of project costs.

ANNUAL BONDED DEBT MATURITY SCHEDULE [1]
As of September 9, 2026
(Pro Forma)

	Existing Indebtedness				
Fiscal Year	**Principal Payments**	**Interest Payments**	**Total Debt Service**	***The Bonds* Principal**	**ALL ISSUES Total Principal**
2026-27 [1]	$ 2,755,000	$ 469,550	$ 3,224,550	$ -	$ 2,755,000
2027-28	2,980,000	459,000	3,439,000	590,000	3,570,000
2028-29	2,190,000	338,600	2,528,600	585,000	2,775,000
2029-30	1,995,000	253,775	2,248,775	585,000	2,580,000
2030-31	1,335,000	176,125	1,511,125	585,000	1,920,000
2031-32	1,335,000	128,750	1,463,750	585,000	1,920,000
2032-33	755,000	93,950	848,950	585,000	1,340,000
2033-34	755,000	67,850	822,850	585,000	1,340,000
2034-35	755,000	41,750	796,750	585,000	1,340,000
2035-36	205,000	26,650	231,650	585,000	790,000
2036-37	205,000	22,550	227,550	585,000	790,000
2037-38	205,000	18,450	223,450	-	205,000
2038-39	205,000	14,350	219,350	-	205,000
2039-40	205,000	10,250	215,250	-	205,000
2040-41	205,000	6,150	211,150	-	205,000
2041-42	205,000	2,050	207,050	-	205,000
Total	$16,290,000	$ 2,129,800	$18,419,800	$5,855,000	$ 22,145,000

[1] Excludes capital lease obligations and other long-term commitments.

[2] Excludes $820,000 in principal payments and $119,600 in interest payments made as of September 9, 2026.

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

OVERLAPPING/UNDERLYING DEBT

Apart from the Town, there are no other political subdivisions with power to issue debt or cause taxes to be levied on taxable property in the Town

DEBT STATEMENT
As of September 9, 2026
(Pro Forma)

Bonded Debt [1]	
The Bonds (This Issue)..	$ 5,855,000
General Improvement..	14,212,000
Schools..	2,078,000
Total Bonded Debt..	22,145,000
Total Short-Term Debt...	-
Total Direct Debt	22,145,000
Exclusions: (State School Construction Aid)......	-
Net Direct Debt..	$ 22,145,000

[1] Does not include capital lease obligations, other long-term commitments, and authorized but unissued debt.

Source: Town Officials.

CURRENT DEBT RATIOS
As of September 9, 2026
(Pro Forma)

Total Direct Indebtedness..............................	$ 22,145,000
Net Direct Indebtedness.................................	$ 22,145,000
Population [1]…...	18,949
Net Taxable Grand List (10/1/25).................	$ 3,317,877,785
Estimated Full Value.......................................	$ 4,739,825,407
Equalized Net Taxable Grand List (2024) [2] ..	$ 5,021,532,962
Per Capita Income (2024) [1] …........................	$ 72,872
Total Direct Debt:	
Per Capita..	$1,168.66
To Net Taxable Grand List.............................	0.67%
To Estimated Full Value.................................	0.47%
To Equalized Net Taxable Grand List............	0.44%
Per Capita to Per Capita Income...................	1.60%
Net Direct Debt:	
Per Capita..	$1,168.66
To Net Taxable Grand List.............................	0.67%
To Estimated Full Value.................................	0.47%
To Equalized Net Taxable Grand List............	0.44%
Per Capita to Per Capita Income...................	1.60%

[1] Office of Policy and Management, State of Connecticut.
[2] U.S. Census Bureau, 2020-2024 American Community Survey.

BOND AUTHORIZATION

Under Chapter IX, Section 1 of the Town Charter, bonds are authorized by a majority of qualified voters present at a Town Meeting. Action on any borrowing shall become effective only after it has been first approved by the Town Council and then approved by the Board of Finance and referred to a Town Meeting. Town Meetings shall be called by the Council in the manner provided for by the Connecticut General Statutes. No Town Meeting shall increase the borrowing or bond issue above the amount recommended by the Council. Refunding bonds may be authorized by resolution adopted by the Town Council in accordance with State Statutes.

MATURITIES

General obligation bonds (serial and term) are required to be payable in maturities wherein a succeeding maturity may not exceed any prior maturity by more than 50% or aggregate annual principal and interest payments must be substantially equal. The first installment of any series of bonds shall mature not later than three years from the date of the issue of such series. Pursuant to state law, all bonds issued on or after July 1, 2017, including sewer and school bonds, shall be due not later than thirty years from the date of their issuance.

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 all subsequent years during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for sewer and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

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

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

Temporary notes may be issued in one-year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

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.

STATEMENT OF STATUTORY DEBT LIMITATION

As of September 9, 2026

(Pro Forma)

Total fiscal year 2025 tax collections (including interest and lien fees)	$ 90,388,304
State Reimbursement for Revenue Loss on Tax Relief for the Elderly	-
Base for Establishing Debt Limit	$ 90,388,304

Debt Limitation [1]	**General Purpose**	**Schools**	**Sewers**	**Urban Renewal**	**Pension Deficit**	**Total Debt**
(2.25 times base).............	$203,373,684					
(4.50 times base).............		$406,747,368				
(3.75 times base).............			$338,956,140			
(3.25 times base).............				$293,761,988		
(3.00 times base).............					$271,164,912	
(7.00 times base).............						$632,718,128
Indebtedness (Including this issue)						
Bonds Payable..................	$ 14,212,000	$ 2,078,000	$ -	$ -	$ -	$ 16,290,000
The Bonds (This Issue)...	4,955,000	900,000	-	-	-	5,855,000
Authorized but						-
Unissued Debt..............	9,730,795	2,101,466	-	-	-	11,832,261
Gross Direct Debt............	28,897,795	5,079,466	-	-	-	33,977,261
School grants receivable......................	-	-	-	-	-	-
Net Direct Debt................	28,897,795	5,079,466	-	-	-	33,977,261
Excess of Limit Over Outstanding and Authorized Debt............	$174,475,889	$401,667,902	$338,956,140	$293,761,988	$271,164,912	$598,740,867

[1] In no case shall total indebtedness exceed seven times annual receipts from taxation or $632,718,128

AUTHORIZED BUT UNISSUED DEBT

As of September 9, 2026

(Pro Forma)

Projects	**Total Bond Authorization**	**Prior Debt/ Paydowns**	**Grants Received**	**The Bonds *This Issue***	**Authorized But Unissued**
Police Department Facility, Phase I.......................................	$ 1,130,000	$ 1,117,000	$ -	$ -	$ 13,000 [1]
Schools carpet replacement/asbestos abatement and pool filter system..	1,527,000	1,100,000	313,080	-	113,920 [1]
Masuk High School Renovation..	38,407,000	25,020,000	13,229,454	-	157,546 [1]
Edith Wheeler Memorial Library...	6,290,000	4,875,000	1,250,000	-	165,000 [1]
Pepper Street Improvements...	5,050,000	-	-	-	5,050,000
DPW Dump Trucks 2018..	406,000	405,000	-	-	1,000
Emergency Radio System 2020..	1,650,000	1,520,000	128,205	-	1,795
Various School Facilty Improvement 2024...........................	900,000	-	-	900,000	-
Fire Apparatus 2025...	3,200,000	-	-		3,200,000
Road Construction & Reconstruction 2025..........................	1,520,000	-	-	1,520,000	-
Public Works Highway Office Upgrades & Roof 2025	450,000	-	-		450,000
Public Works Trucks & Equipment 2025..............................	1,050,000	-	-	1,050,000	-
Safety Equipment 2025	190,000	-	-	190,000	-
Board of Education Upgrades & Roof Replacement 2025...	1,830,000	-	-	-	1,830,000
Fire Dept Improvements and Vehicle Replacement 2026.....	165,000	-	-	165,000	-
Road Construction/Reconstruction & Todd Drive 2026.......	2,030,000	-	-	2,030,000	-
Benedict Farm Acquisition 2026..	850,000	-	-	-	850,000
	$66,645,000	$34,037,000	$14,920,739	$ 5,855,000	$11,832,261

[1] The Town does not expect any future borrowing for these projects.

Source: Town of Monroe, Finance Office.

HISTORICAL DEBT STATEMENT

	2025–26 [1]	2024–25	2023–24	2022–23	2021–22
Population [2] …………………………	18,949	18,949	18,949	18,833	18,851
Net taxable grand list…………………	$3,269,403,926	$2,388,743,510	$2,353,153,091	$2,343,602,586	$2,270,624,475
Estimated full value……………………	$4,670,577,037	$3,412,490,729	$3,361,647,273	$3,348,003,694	$3,243,749,250
Equalized net taxable grand list [3]…	$5,021,532,962	$5,021,532,962	$4,552,005,603	$4,311,557,848	$3,684,657,809
Per capita income [2]…………………	$ 72,872	$ 72,872	$ 72,872	$ 69,138	$ 61,304
Short-term debt…………………………			$ -	$ -	$ -
Long-term debt……………………………	$ 17,110,000	$ 21,305,000	$ 20,090,000	$ 25,150,000	30,150,000
Total Direct Indebtedness…………	$ 17,110,000	$ 21,305,000	$ 20,090,000	$ 25,150,000	$ 30,150,000
Net Direct Indebtedness……………	$ 17,110,000	$ 21,305,000	$ 20,090,000	$ 25,150,000	$ 30,150,000

[1] Unaudited estimate.
[2] U.S. Census Bureau, 2020-2024 American Community Survey.
[3] Office of Policy and Management, State of Connecticut.

HISTORICAL DEBT RATIOS

Total Direct Indebtedness:	2025–26 [1]	2024–25	2023–24	2022–23	2021–22
Per capita…………………………………	$902.95	$1,124.33	$1,060.21	$1,335.42	$1,599.38
To net taxable grand list……………	0.52%	0.89%	0.85%	1.07%	1.33%
To estimated full value………………	0.37%	0.62%	0.60%	0.75%	0.93%
To equalized net taxable grand list……………………………	0.34%	0.42%	0.44%	0.58%	0.82%
Debt per capita to per capita income…………………………………	1.24%	1.54%	1.45%	1.93%	2.61%
Net Direct Indebtedness:					
Per capita…………………………………	$902.95	$1,124.33	$1,060.21	$1,335.42	$1,599.38
To net taxable grand list……………	0.52%	0.89%	0.85%	1.07%	1.33%
To estimated full value………………	0.37%	0.62%	0.60%	0.75%	0.93%
To equalized net taxable grand list……………………………	0.34%	0.42%	0.44%	0.58%	0.82%
Debt per capita to per capita income…………………………………	1.24%	1.54%	1.45%	1.93%	2.61%

[1] Unaudited estimate

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CAPITAL IMPROVEMENT PROGRAM

	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Summary of Programs						
Board of Education................	$ 3,584,600	$ 2,205,000	$ 987,216	$ 1,750,000	$ 6,965,086	$15,491,902
Fire..	2,361,500	314,000	2,380,000	230,000	1,235,000	6,520,500
Library.....................................	347,932	18,500	19,500	-	-	385,932
Parks & Recreation................	286,682	924,997	831,079	450,000	750,000	3,242,758
Police......................................	285,186	202,571	212,699	-	-	700,456
Public Works..........................	4,135,909	8,320,666	4,953,166	2,881,166	2,810,166	23,101,073
Total	$11,001,809	$11,985,734	$ 9,383,660	$ 5,311,166	$ 11,760,252	$49,442,621
Source of Funding						
Capital Reserve Funds............	$ 166,043	$ 18,500	$ 108,000	$ 30,000	$ 35,000	$ 357,543
General Obligation Bonds.....	7,252,811	11,241,497	8,539,795	4,758,000	11,202,086	42,994,189
Operating Budget....................	936,000 [1]	-	-	-	-	936,000
Grants......................................	1,588,603	-	-	-	-	1,588,603
Police Private Duty Fund.......	535,186	202,571	212,699	-	-	950,456
Town Road Grant Funds.........	523,166	523,166	523,166	523,166	523,166	2,615,830
Total	$11,001,809	$11,985,734	$ 9,383,660	$ 5,311,166	$ 11,760,252	$49,442,621

[1] Includes proceeds from the sale of fire apparatus.

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LITIGATION

The Town of Monroe, its officers, employees, boards and commissions, are named Defendants or Respondents in civil and administrative proceedings. It is the Town Attorney's opinion that as of this date, the Town is adequately insured and has sufficient liquidity such that neither an adverse disposition of the one or all claims in the aggregate would have a material adverse effect on the Town's ability to repay its debt obligations.

MUNICIPAL ADVISOR

The Town has retained Munistat to serve as its municipal advisor in connection with the issuance of the Bonds. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds, and receipt by the Town of payment therefor. The Town may engage the Municipal Advisor to perform other services, including without limitation, providing certain investment services with regard to the investment of Bond proceeds.

CLOSING DOCUMENTS

Upon the delivery of the Bonds, the original purchaser of the Bonds will be furnished 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 or the levy or collection of taxes to pay the principal of and interest on the Bonds.

2. A Certificate on behalf of the Town signed by the First Selectman, Treasurer and Director of Finance, which will be dated the date of delivery and which will certify, to the best of said officials' knowledge and belief, that at the time the bids were accepted on the Bonds, 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 statements therein, in 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. Receipt for the purchase price of the Bonds.

4. Approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut substantially in the form of Appendix B attached hereto.

5. An executed Continuing Disclosure Agreement for the Bonds substantially in the form of Appendix C attached hereto.

The Town has prepared this Official Statement for the Bonds which is dated August 26, 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.

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

CONCLUDING STATEMENT

This Official Statement is not to be construed as a contract or agreement between the Town and the purchaser or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any of such opinion or estimate will be realized.

No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

Information herein has been derived by the Town from various officials, departments and other sources and is believed by the Town to be reliable, but such information, other than that obtained from official records of the Town, has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

This Official Statement is submitted only in connection with the sale of the Bonds by the Town and may not be reproduced or used in whole or part for any other purpose.

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

TOWN OF MONROE

By: */s/ Terrence P. Rooney*
Terrence P. Rooney, *First Selectman*

By: */s/ Francis Dutches*
Francis Dutches, *Treasurer*

By: */s/ Ronald J. Bunovsky, Jr.*
Ronald J. Bunovsky, Jr., *Director of Finance*

Dated as of August 26, 2026

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APPENDIX A – AUDITED FINANCIAL STATEMENTS

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Finance
Town of Monroe, Connecticut

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town, as of June 30, 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, 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.

Change in Accounting Policy

We draw attention to Note II C. – Cumulative Effect of Change in Accounting Principal in the notes to financial statements which discloses the effects of the Town's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, budgetary comparisons, and the pension and other post-employment benefit schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections 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 29, 2026 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
January 29, 2026

TOWN OF MONROE

FINANCE DEPARTMENT

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Monroe, CT 06468
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Management's Discussion and Analysis
For the Year Ended June 30, 2025

This discussion and analysis of the financial performance for the Town of Monroe, Connecticut ("Town") provides an overview of the Town's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the financial statements included herein, which begin with Exhibit A.

Financial highlights

The Town's total net position increased by $6,171,656 from $78,820,762 to $84,992,418. The increase is substantially due to the following: (See Exhibit D)

<u>Governmental fund activity:</u>

➢ positive operations of the General Fund of	$ 134,142
➢ positive operations of the Capital Reserve Fund of	1,292,653
➢ positive operations of the Other Governmental Funds of	252,585

The positive operations were offset by:

<u>Conversion to accrual basis on Exhibit E:</u>

➢ capital outlay net of depreciation/amortization expense of	3,160,111
➢ net long-term debt activity of	(1,598,885)
➢ amortization of premium of	314,634
➢ change in special termination benefits of	1,031,939
➢ change in net pension asset of	1,622,889
➢ change in net pension liability of	1,331,715
➢ change in OPEB liability of	1,111,380
➢ change in deferred outflows of resources related to pension and OPEB of	(1,345,210)
➢ change in deferred inflows of resources related to pension and OPEB of	(1,713,000)

- Net capital assets increased by $3,127,401. This increase is attributable to capital asset additions of CIP for $4,444,701 and depreciable asset additions of $5,669,416 in excess of depreciation/amortization expense.

- The Town's total long-term debt increased by $1,144,591 due to debt issuances of $5,811,909 offset by scheduled principal payments of $4,667,318.

- The Town implemented GASB Statement No. 101 "Compensated Absences" during the fiscal year. As a result, the Town increased the compensated absences liability and decreased net position by $3,242,607 as of July 1, 2024.

- The unassigned fund balance of the General Fund of $21,581,531 represents 20.80% of total budgetary expenditures and transfers out for the current fiscal year.

- On a budgetary basis, the Town's General Fund had $268,757 positive operating results for the current fiscal year. The increase was attributable to actual revenues and other financing sources below the budgeted amounts by $969,740 and expenditures and other financing uses $1,238,497 under budget. The other financing sources includes $2,500,000 of appropriated fund balance. See RSI-1 in the Required Supplementary Information section of this financial report for additional details.

<u>Overview of the basic financial statements</u>

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains other supplementary information as well as the basic financial statements.

<u>Government-wide financial statements</u>

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Town's financial health. Other non-financial events such as the impact of changes in the Town's tax base or infrastructure should also be considered when evaluating the Town's financial health.

The *statement of activities* presents information showing how the Town's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when the cash is actually received or paid. Therefore, revenues and expenses are reported in this statement for some items whose cash flow may occur in a future fiscal period. Taxes uncollected but levied or vacation leave unused but earned are examples of this.

Both of the government-wide financial statements show functions of the Town that are principally supported by taxes and intergovernmental revenue (*governmental activities*). The governmental activities of the Town include general government, public safety, public works, health and welfare, culture and recreation, and education.

The government-wide financial statements can be found on Exhibits A and B of this report.

<u>Fund financial statements</u>

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds to similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for each major fund. The funds reported as major funds are as follows:

- General Fund
- Capital Reserve Fund
- Reconstruction of Pepper Street Fund

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

Proprietary funds - Internal service funds are an accounting device used for risk financing activities.

The Town uses internal service funds to account for its heart and hypertension costs. The cost of the benefits have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on Exhibits F, G, and H.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits I and J.

Notes to financial statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on Exhibit K of this report.

Required supplementary information

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

- A budgetary comparison schedule for the General Fund to demonstrate compliance with this budget.

- Schedules to demonstrate the Town's progress in funding its obligation to provide pension benefits.

- Schedules to demonstrate the Town's progress in funding its obligation to provide other post-employment benefits.

Other information

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

Government-wide financial analysis

As discussed earlier, the Town's net position is one useful indicator of its financial health. The Town had a total net position of $84,992,418 at the close of the 2025 fiscal year. Our analysis below focuses on the net position and changes in net position of the Town.

Summary Statement of Net Position
June 30

	2025	2024
Current and other assets	$ 56,689,734	$ 52,141,762
Capital assets (net)	97,756,172	94,628,771
Total assets	154,445,906	146,770,533
Deferred outflows of resources	6,173,879	7,519,089
Other liabilities	11,615,486	10,398,223
Long-term liabilities	49,041,712	48,383,184
Total liabilities	60,657,198	58,781,407
Deferred inflows of resources	14,970,169	13,444,846
Net position:		
Net investment in capital assets	73,417,708	71,258,946
Restricted	4,860,418	3,359,089
Unrestricted	6,714,292	7,445,334
Total net position	$ 84,992,418	$ 82,063,369

The Town's net investment in capital assets of $73,417,708 comprises the major portion of the net position of the Town. This figure reflects its net investment in capital assets, less any outstanding debt that was used to purchase those assets. These assets are used to provide various services to the citizens of the Town and are therefore not available for any future spending. As reflected above, the Town's net investment in capital assets increased by $2,158,762 over the prior fiscal year, the result of additions to capital assets and scheduled debt payments.

The Town's restricted net position, which represents resources with externally enforceable limitations placed upon them, was $4,860,418. The majority of these restricted resources are from the net pension asset and town road grants. The balance of the Town's net position of $6,714,292 was unrestricted.

As detailed below, the Town's net position increased by $6,171,656.

Statement of Changes in Net Position
For the Year Ended June 30

	2025	2024
Revenues:		
Program revenues:		
Charges for services	$ 9,700,168	$ 9,184,034
Operating grants and contributions	20,518,791	20,233,908
Capital grants and contributions	2,526,060	1,751,333
General revenues:		
Property taxes	90,981,124	88,053,634
Grants and contributions not restricted to specific programs	1,864,038	2,086,083
Income from investments	3,017,031	3,142,544
Gain on sale of assets	-	360,562
Other	141,574	164,091
Total revenues	128,748,786	124,976,189
Expenses:		
General government	9,712,152	9,127,704
Public safety	12,481,221	12,228,171
Public works	6,904,253	5,800,699
Health and welfare	528,314	526,953
Culture and recreation	3,634,442	3,444,733
Education	88,826,227	85,578,157
Interest	490,521	298,856
Total expenses	122,577,130	117,005,273
Change in net position	6,171,656	7,970,916
Net position - July 1, as previously reported	82,063,369	74,092,453
Cumulative effect of change in accounting principle for implementation of GASB No. 101	(3,242,607)	-
Net position - July 1, as restated	78,820,762	74,092,453
Net position - June 30	$ 84,992,418	$ 82,063,369

Significant variances were as follows:

- The $516,134 increase in charges for services was due to:
  - an increase of approximately $138,000 in daycare revenues due to additional families and an increase in program fees

- an increase of approximately $122,000 in school activity fees due to more field trips and programs
- an increase of approximately $271,000 in police private duty fees due to decreased construction activity

- The $774,727 increase in capital grants and contributions was primarily due to $789,942 increase in the highway planning grant for the Pepper Street reconstruction project.

- The $2,927,490 increase in property taxes was primarily due to an increase in the tax levy needed to fund the adopted budget. This 3.22% increase in revenues from the prior year was a result of a 1.92% increase in the mill rate and a 1.40% increase in the net taxable grand list.

- The $584,448 increase in general government expense was primarily due to an increase of approximately $284,000 in health insurance due to increased rates from the state plan.

- The $1,103,554 increase in public works expense was primarily due to increases in snow removal and highway administration costs as well as an increase in depreciation expense.

- The $3,248,070 increase in education expense was primarily due to an approximate $3,700,000 increase in the education budget over the prior year. These were partially offset by decreases in pension and OPEB expense.

Financial analysis of the Town's funds

The Town's components of fund balance for all governmental funds were as follows:

Nonspendable for leases	$ 398,634
Restricted	3,031,336
Committed	12,674,131
Assigned	4,774,282
Unassigned	20,592,350
Total	$ 41,470,733

The total fund balance increased by $1,488,484. This increase is the result of the following activity:

The **General Fund** is the main operating fund of the Town. At year-end, the total fund balance was $28,789,312, an increase of $134,142 over the prior year. This increase was attributable to actual revenues and other financing sources below the budgeted amounts by $969,740 and expenditures and other financing uses $1,238,497 under budget. These budget variances are discussed further in the next section.

The **Capital Reserve Fund** is used to account for various capital projects of the Town. It had a total fund balance of $5,221,929 at year-end. Fund balance increased by $1,292,653 during the fiscal year due to transfers in and issuance of debt and timing of project expenditures.

The **Reconstruction of Pepper Street Fund** is used to account for expenditures and revenues related to the reconstruction of Pepper Street. It had a deficit fund balance of ($989,181) at year-end. Fund balance decreased by $190,896 during the fiscal year due to project expenditures greater than the grant reimbursement rate and the timing of the Town funding the local portion of the grant.

General fund budgetary highlights

Below is a discussion of the original budget compared to the final budget and a discussion of the final budget compared to actual results.

Original budget compared to the final budget. Significant budget transfers included:

- $414,548 additional appropriation of FEMA intergovernmental revenue – grant revenue received for storm damage that was not budgeted. This additional appropriation increased the transfers out budget.

- $407,354 from human resources – fringe benefits to fund various other lines. This was funded primarily by the wage adjustment account to fund other salary lines related to increases in pay based on union contract negotiations.

Final budget compared to actual results. The overall budget positive operating results of $268,757 included budgeted appropriations of fund balance totaling $2,500,000. The most significant budget variances were as follows:

- Total property tax revenues were above budget by $698,229 primarily due to higher than expected tax collections.

- Income from investments was $480,262 greater than budget due to continued high interest rates during the year and favorable market performance.

- Board of finance was under budget by $276,490, the result of unused budgeted contingency.

- Human resources – fringe benefits was under budget by $329,227 as a result of medical/dental/vision insurance cost savings.

- Police personnel was under budget by $228,951 due to due to open positions of Uniform Officers and Dispatchers during the fiscal year.

- Road and building was under budget by $684,517 due to paving expenditures being lower than expected.

- Education was $211,742 under budget, due to an increase in special education excess cost grant reimbursement, open paraeducator positions, legal service and utility budget surpluses.

- Transfers out was $1,242,000 over budget due to approved transfers by the Town Council and Board of Finance from the current year budget surplus. These transfers fund road paving, maintenance and repairs, purchase of a dump truck and Board of Education capital projects.

Capital asset and debt administration

Capital assets

The capital assets (net of depreciation/amortization) increased in the current year by $3,127,401. The increase is due to the capital asset additions exceeding depreciation/amortization expense and disposals.

Capital Assets (Net)
June 30

Category	2025	2024
Land	$ 14,806,516	$ 14,806,516
Construction in progress	12,967,201	9,284,894
Intangible right-to-use assets	564,405	533,974
Land improvements	1,770,429	2,073,722
Buildings and systems	40,501,749	41,800,548
Machinery and equipment	5,282,957	4,608,589
Vehicles	5,061,095	4,915,678
Infrastructure	16,801,820	16,604,850
Total	$ 97,756,172	$ 94,628,771

In the current year, the Town had net capital asset additions totaling $9,351,723. Major capital asset additions consisted of the following:

➢ Construction in progress:	
○ Animal control facility	$ 724,284
○ Pepper Street reconstruction and paving	1,484,913
○ St Judes community center project	1,876,805
○ Masuk press box	156,275
○ Stevenson and Stepney fire station roof replacement	151,206
➢ Buildings and systems:	
○ Morgan flooring upgrades	145,925
○ Stevenson and Stepney fire station roof replacement	604,039
➢ Machinery and equipment:	
○ Public works heavy machinery	617,710
○ Education computers	431,917
○ MHS camera upgrade	161,740
○ Body cameras	302,763
➢ Vehicles:	
○ Public works trucks	877,856
○ Police vehicles and upgrades	402,197
➢ Infrastructure:	
○ Paving - various roads	1,034,132
○ Drainage improvements	271,769

Significant disposals included $238,470 of roads that were fully depreciated during the year as well as $100,641 of five fully depreciated vehicles. Additional details about the Town's capital assets is presented in Note III.D of the financial statements.

Long-term debt

Long-Term Debt
June 30

Category	2025	2024
General obligation bonds	$ 21,305,000	$ 20,090,000
Notes payable	-	65,146
Leases	366,643	457,735
Subscriptions	189,577	103,748
Totals	$ 21,861,220	$ 20,716,629

The Town's total long-term debt outstanding at year end increased $1,144,591 during the current fiscal year. This was the result of new debt issued being greater than the scheduled principal payments.

State Statutes limit the amount of general obligation debt a governmental entity may issue to seven times total prior year tax collections, including interest and lien fees. The current debt limitation for the Town is $613,611,936, which is significantly in excess of the Town's outstanding general obligation debt.

More detailed information about the Town's long-term liabilities is presented in Note III.F of the financial statements.

Economic factors and next year's budget

The Town's elected and appointed officials considered many factors in preparing the annual budget and setting the mill rate for fiscal year 2026. Some of the more significant considerations were:

- The impact of the revaluation of real property which took effect in fiscal year 2026. This caused a significant shift in the value of the grand list, and therefore the overall tax burden, from commercial to residential real estate.
- The rate of inflation.
- The cost of health insurance, which has been trending well above inflation.
- Collective bargaining agreements, both executed and open.
- The upward trend of students receiving special education services.
- The status of assessment appeals/litigation and their potential impact on the grand list. This had added relevance for fiscal year 2026 due to the revaluation.
- The rate and trend of unemployment for the Town.

Contacting the Town's financial management

This annual comprehensive financial report is designed to provide our citizens, businesses and investors with a general overview of the Town's financial position and fiscal accountability. If you have questions about this report or need additional financial information, contact the Town of Monroe, Finance Department, 7 Fan Hill Road, Monroe, CT 06468.

Basic Financial Statements

Town of Monroe, Connecticut

Governmental Activities
Statement of Net Position
June 30, 2025

Assets	
Current assets:	
Cash	$ 1,857,554
Investments	39,032,484
Receivables (net):	
Property taxes	1,266,042
Accounts	493,373
Intergovernmental	5,407,766
Leases	15,964
Total current assets	48,073,183
Noncurrent assets:	
Restricted assets:	
Temporarily restricted:	
Investments	888,406
Receivables (net):	
Property taxes	1,790,550
Loans	90,500
Leases	4,018,013
Total receivables (net)	5,899,063
Net pension asset	1,622,889
Net OPEB asset	206,193
Capital assets (net of accumulated depreciation/amortization):	
Land	14,806,516
Construction in progress	12,967,201
Intangible right-to-use assets	564,405
Land improvements	1,770,429
Buildings and systems	40,501,749
Machinery and equipment	5,282,957
Vehicles	5,061,095
Infrastructure	16,801,820
Total capital assets (net of accumulated depreciation/amortization)	97,756,172
Total noncurrent assets	106,372,723
Total assets	154,445,906
Deferred Outflows of Resources	
Pension related	3,782,071
OPEB related	2,391,808
Total deferred outflows of resources	6,173,879

(Continued)

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

Town of Monroe, Connecticut

Governmental Activities
Statement of Net Position
June 30, 2025

Liabilities	
Current liabilities:	
Accounts payable	$ 3,194,912
Retainage payable	76,233
Accrued payroll and related liabilities	1,030,858
Accrued interest payable	87,323
Unearned revenue	879,930
Long-term debt	4,395,191
Compensated absences	1,125,977
Special termination benefits	180,000
Heart and hypertension claims payable	51,686
OPEB liability	478,000
Other	115,376
Total current liabilities	11,615,486
Noncurrent liabilities:	
Performance bonds	888,406
Long-term debt and related liabilities	19,179,898
Compensated absences	4,503,906
Special termination benefits	5,229,850
Heart and hypertension claims payable	250,433
Landfill closure and postclosure	2,136,975
Net pension liability	9,726,645
Net OPEB liability	7,125,599
Total noncurrent liabilities	49,041,712
Total liabilities	60,657,198
Deferred Inflows of Resources	
Lease related	3,619,379
Deferred charges on refunding	334,065
Pension related	2,539,759
OPEB related	8,476,966
Total deferred inflows of resources	14,970,169
Net Position	
Net investment in capital assets	73,417,708
Restricted for:	
Pension	1,622,889
OPEB	206,193
Town programs	649,066
Senior center programs	371,509
Town clerk fees	104,618
School lunch programs	375,475
Library programs	87,517
Housing rehabilitation	203,940
Public safety programs	36,610
Public works programs	1,202,601
Unrestricted	6,714,292
Total net position	$ 84,992,418

(Concluded)

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

Exhibit B

Town of Monroe, Connecticut

Governmental Activities
Statement of Activities
For the Year Ended June 30, 2025

		Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Expenses and Changes in Net Position
General government	$ 9,712,152	$ 1,335,195	$ 681,167	$ 64,590	$ (7,631,200)
Public safety	12,481,221	2,446,368	63,179	500,000	(9,471,674)
Public works	6,904,253	742,011	-	1,961,470	(4,200,772)
Health and welfare	528,314	91,885	-	-	(436,429)
Culture and recreation	3,634,442	1,412,403	429,097	-	(1,792,942)
Education	88,826,227	3,672,306	19,345,348	-	(65,808,573)
Interest	490,521	-	-	-	(490,521)
Total	$ 122,577,130	$ 9,700,168	$ 20,518,791	$ 2,526,060	(89,832,111)

General revenues:	
Property taxes	90,981,124
Grants and contributions not restricted to specific programs	1,864,038
Income from investments	3,017,031
Other	141,574
Total general revenues	96,003,767
Change in net position	6,171,656
Net position - July 1, 2024, as previously reported	82,063,369
Cumulative effect of change in accounting principle for implementation of GASB Statement No. 101	(3,242,607)
Net position - July 1, 2024, as restated	78,820,762
Net position - June 30, 2025	$ 84,992,418

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

Town of Monroe, Connecticut

Governmental Funds
Balance Sheet
June 30, 2025

	General Fund	Capital Reserve Fund	Reconstruction of Pepper Street Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash	$ 223,557	$ -	$ -	$ 1,633,997	$ 1,857,554
Investments	38,258,324	-	-	774,160	39,032,484
Restricted investments	888,406	-	-	-	888,406
Receivables (net):					
Property taxes	3,056,592	-	-	-	3,056,592
Accounts	136,030	-	-	357,343	493,373
Intergovernmental	-	500,000	4,217,396	690,370	5,407,766
Loans	-	-	-	90,500	90,500
Leases	4,033,977	-	-	-	4,033,977
Due from other funds	5,905,593	5,060,973	-	7,120,227	18,086,793
Total assets	$ 52,502,479	$ 5,560,973	$ 4,217,396	$ 10,666,597	$ 72,947,445
Liabilities					
Accounts payable	$ 2,333,797	$ 339,044	$ 14,033	$ 508,038	$ 3,194,912
Accrued payroll and related liabilities	990,184	-	-	40,674	1,030,858
Retainage payable	-	-	76,233	-	76,233
Due to other funds	12,709,433	-	5,116,311	789,282	18,615,026
Unearned revenue	-	-	-	879,930	879,930
Performance bonds	888,406	-	-	-	888,406
Other	115,376	-	-	-	115,376
Total liabilities	17,037,196	339,044	5,206,577	2,217,924	24,800,741
Deferred Inflows of Resources					
Unavailable revenue:					
Property taxes	3,056,592	-	-	-	3,056,592
Lease related	3,619,379	-	-	-	3,619,379
Total deferred inflows of resources	6,675,971	-	-	-	6,675,971
Fund Balances					
Nonspendable	398,634	-	-	-	398,634
Restricted	371,509	-	-	2,659,827	3,031,336
Committed	1,744,845	5,140,440	-	5,788,846	12,674,131
Assigned	4,692,793	81,489	-	-	4,774,282
Unassigned	21,581,531	-	(989,181)	-	20,592,350
Total fund balances	28,789,312	5,221,929	(989,181)	8,448,673	41,470,733
Total liabilities, deferred inflows of resources and fund balances	$ 52,502,479	$ 5,560,973	$ 4,217,396	$ 10,666,597	$ 72,947,445

(Continued)

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

Town of Monroe, Connecticut

Reconciliation of Fund Balance to Net Position of Governmental Activities
June 30, 2025

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from the governmental fund balance sheet due to:	
Total fund balances (Exhibit C, Page 1)	$ 41,470,733
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Beginning capital assets (net)	94,628,771
Current year additions (net of construction in progress decreases)	9,351,723
Depreciation/amortization expense	(6,191,612)
Disposal of capital assets	(32,710)
Total	97,756,172
Other long-term assets and deferred outflows of resources are not available resources and, therefore, are not reported in the funds:	
Deferred outflows related to pensions	3,782,071
Deferred outflows related to OPEB	2,391,808
Total	6,173,879
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds:	
Net pension asset	1,622,889
Net OPEB asset	206,193
Property tax - accrual basis change	3,056,592
Total	4,885,674
Internal service funds are used by management for risk financing activities:	
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	226,114
Some liabilities and deferred inflows of resources, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds and notes payable and related liabilities	(23,018,869)
Leases payable	(366,643)
Subscriptions payable	(189,577)
Compensated absences	(5,629,883)
Special termination benefits	(5,409,850)
Landfill closure and postclosure	(2,136,975)
Net pension liability	(9,726,645)
Net OPEB liability	(7,603,599)
Accrued interest payable	(87,323)
Deferred charge on refunding	(334,065)
Deferred inflows related to pension	(2,539,759)
Deferred inflows related to OPEB	(8,476,966)
Total	(65,520,154)
Net position (Exhibit A)	$ 84,992,418

(Concluded)

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

Town of Monroe, Connecticut

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2025

	General Fund	Capital Reserve Fund	Reconstruction of Pepper Street Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 90,425,470	$ -	$ -	$ -	$ 90,425,470
Intergovernmental	18,666,053	500,000	1,287,350	3,869,045	24,322,448
Charges for services	2,401,100	-	-	7,299,068	9,700,168
Contributions	-	64,590	-	521,851	586,441
Income from investments	2,980,262	-	-	36,769	3,017,031
Other	39,837	-	-	101,737	141,574
Total revenues	114,512,722	564,590	1,287,350	11,828,470	128,193,132
Expenditures:					
Current:					
General government	9,877,243	166,227	-	95,533	10,139,003
Public safety	9,648,285	-	-	1,366,918	11,015,203
Public works	4,150,941	-	-	1,413,630	5,564,571
Health and welfare	442,648	-	-	84,405	527,053
Culture and recreation	1,516,335	-	-	1,734,220	3,250,555
Education	82,368,442	-	-	6,479,549	88,847,991
Debt service	5,156,397	93,884	-	-	5,250,281
Capital outlay	-	6,435,559	1,478,246	462,389	8,376,194
Total expenditures	113,160,291	6,695,670	1,478,246	11,636,644	132,970,851
Excess (deficiency) of revenues over expenditures	1,352,431	(6,131,080)	(190,896)	191,826	(4,777,719)
Other financing sources (uses):					
Issuance of debt	-	5,811,909	-	-	5,811,909
Premium	-	454,294	-	-	454,294
Transfers in	490,297	1,701,086	-	79,320	2,270,703
Transfers out	(1,708,586)	(543,556)	-	(18,561)	(2,270,703)
Net other financing sources (uses)	(1,218,289)	7,423,733	-	60,759	6,266,203
Net change in fund balances	134,142	1,292,653	(190,896)	252,585	1,488,484
Fund balances - July 1, 2024	28,655,170	3,929,276	(798,285)	8,196,088	39,982,249
Fund balances - June 30, 2025	$ 28,789,312	$ 5,221,929	$ (989,181)	$ 8,448,673	$ 41,470,733

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

Town of Monroe, Connecticut

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025**

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different due to:	
Net change in fund balances - total governmental funds (Exhibit D)	$ 1,488,484
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital outlay	9,351,723
Depreciation/amortization expense	(6,191,612)
Total	3,160,111
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase/decrease net position. In the statement of activities, only the loss on the sale of assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or donated.	(32,710)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds and revenues recognized in the fund financial statements are not reported in the statement of activities:	
Change in property tax receivable - accrual basis change	555,654
The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:	
Debt issued or incurred:	
Issuance of debt	(5,570,000)
Premiums	(454,294)
Subscriptions payable	(241,909)
Principal repayments:	
General obligation bonds and notes	4,420,146
Leases payable	91,092
Subscriptions payable	156,080
Total	(1,598,885)

(Continued)

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

Town of Monroe, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in/amortization of:	
Accrued interest payable	$ 25,343
Premium	314,634
Compensated absences	27,657
Special termination benefits	1,031,939
Landfill closure and postclosure	(151,350)
Net pension asset	1,622,889
Net pension liability	1,331,715
Net OPEB asset	206,193
Net OPEB liability	1,111,380
Deferred outflows of resources related to pension and OPEB	(1,345,210)
Deferred inflows of resources related to pension and OPEB	(1,713,000)
Deferred charges on refunding	64,783
Total	2,526,973
Internal service funds are used by management for risk financing activities:	
The net revenue (expense) of the activities of the internal service funds is reported with governmental activities	72,029
Change in net position (Exhibit B)	$ 6,171,656

(Concluded)

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

Exhibit F

Town of Monroe, Connecticut

Proprietary Fund
Statement of Net Position
June 30, 2025

	Internal Service Fund
Assets	
Current asset:	
Due from other funds	$ 528,233
Liabilities	
Current liability:	
Claims payable	51,686
Noncurrent liability:	
Claims payable	250,433
Total liabilities	302,119
Net Position	
Unrestricted	$ 226,114

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

Town of Monroe, Connecticut

Proprietary Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

	Internal Service Fund
Operating revenues:	
Charges for services	$ 78,099
Operating expenses:	
Claims and benefits	6,070
Operating income (loss)	72,029
Net position - July 1, 2024	154,085
Net position - June 30, 2025	$ 226,114

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

Exhibit H

Town of Monroe, Connecticut

Proprietary Fund
Statement of Cash Flows
For the Year Ended June 30, 2025

	Internal Service Funds
Cash flows from (used in) operating activities:	
Cash received from charges for services	$ 58,099
Cash paid for benefits and claims	(58,099)
Net increase (decrease) in cash	-
Cash - July 1, 2024	-
Cash - June 30, 2025	$ -
Reconciliation of operating income (loss) to net cash from (used in) operating activities:	
Operating income (loss)	$ 72,029
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:	
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Due from other funds	(20,000)
Increase (decrease) in:	
Claims payable	(52,029)
Net cash from (used in) operating activities	$ -

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

Exhibit I

Town of Monroe, Connecticut

Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2025

	Pension and OPEB Trust Funds	Private-Purpose Trust Fund
Assets		
Cash	$ -	$ 9,995
Investments:		
Mutual funds:		
Money market	959,554	-
Equity	23,800,771	-
Bond	10,807,724	-
Real estate	144,426	-
Diversified	1,494,592	-
Total investments	37,207,067	-
Total assets	37,207,067	9,995
Net Position		
Restricted for:		
Pensions	33,912,027	-
OPEB	3,295,040	-
Individuals and organizations	-	9,995
Total net position	$ 37,207,067	$ 9,995

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

Exhibit J

Town of Monroe, Connecticut

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2025

	Pension and OPEB Trust Funds	Private-Purpose Trust Fund
Additions:		
Contributions:		
Employer	$ 650,647	$ -
Employee	402,207	-
Total contributions	1,052,854	-
Investment income (loss):		
Net change in fair value of investments	3,207,088	-
Interest and dividends	819,989	50
Total investment income (loss)	4,027,077	50
Less investment expense	31,178	-
Net investment income (loss)	3,995,899	50
Total additions	5,048,753	50
Deductions:		
Benefits	2,006,372	-
Administration	69,858	-
Total deductions	2,076,230	-
Change in net position	2,972,523	50
Net position - July 1, 2024	34,234,544	9,945
Net position - June 30, 2025	$ 37,207,067	$ 9,995

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

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

History and organization

The Town of Monroe, Connecticut ("Town") was incorporated in 1823. The Town operates under a First Selectman/Town Council form of government. The First Selectman is the Chief Executive Officer and the Town Council (made up of nine members) is the legislative body of the Town. The Town Council may enact, amend or repeal ordinances and resolutions. The Board of Finance is responsible for financial and budgetary matters as prescribed by Connecticut General Statutes and the Town Charter. The Board of Education is responsible for operation of the school system. The Town operates under a charter and provides the following services as authorized by such: public safety, public works, health and welfare, culture and recreation, education and general administration.

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

I. Summary of significant accounting policies

A. Government-wide and fund financial statements

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

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

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

B. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period. The Town considers reimbursement grants to be available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and certain other long-term liabilities, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds.

Expenditure reimbursement type grants, certain intergovernmental revenues, charges, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund	The Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
Capital Reserve Fund	Accounts for capital projects and acquisitions which, by their nature, occur over the course of multiple years. These projects are either funded through transfers appropriated from the General Fund or the issuance of general obligation bonds.
Reconstruction of Pepper Street Fund	Accounts for expenditures related to the reconstruction of Pepper Street and the related grant revenues.

Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and reports the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt.
Capital Project Funds	Accounts for and reports resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.
Internal Service Fund	Accounts for risk financing activities for heart and hypertension.
Pension Trust Funds	Accounts for the activities of the Town Retirement Plan and Education Retirement Plan, which accumulate resources for pension benefit payments to qualified employees.
OPEB Trust Fund	Accounts for the activities of the Police OPEB Plan which accumulates resources for OPEB benefits.
Private-Purpose Trust Fund	Accounts for the receipt of private donations to be used for student awards.

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

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

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

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

For purposes of measuring the net pension and OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town pension and OPEB plans, the Connecticut Municipal Employees Retirement Systems ("MERS"), the Connecticut State Teachers' Retirement System ("TRS"), and the Connecticut State Retiree Health Insurance Plan ("RHIP") have been determined on the same basis as they are reported by the Town's pension and OPEB plans, MERS, TRS, and RHIP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

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

1. Cash and investments

a. Cash

The Town considers cash as cash on hand and demand deposits.

For cash flow purposes the Town considers cash equivalents money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

b. Investments

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. For the capital reserve fund, not more than 31% can be invested in equity securities. Investment income is recorded in the fund in which it was earned.

State Treasurers Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c - 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

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

The Town's pension and OPEB funds have adopted a formal investment policy that defines asset allocation guidelines, diversification guidelines and fixed income and cash guidelines.

The Town’s pension and OPEB plan investment policy targets are as follows:

Asset Class	Target Allocation	
	Pension	OPEB
Domestic equity	40.50%	35.00%
International equity	25.00%	30.00%
Fixed income	30.00%	30.00%
Other	4.50%	5.00%
Total	100.00%	100.00%

c. Method used to value investments

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

Fair value of investments

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1	Quoted prices for identical investments in active markets
Level 2	Quoted prices for identical investments in markets that are not active. Fair values are primarily obtained from the third party pricing services for identical comparable assets
Level 3	Unobservable inputs

d. Risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town’s formalized investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The policy does suggest that investments be undertaken in a manner to protect against the erosion of market prices from rising interest rates.
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity’s complete failure. The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

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

Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital in any one depository.
Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town does not have a formal policy with respect to custodial credit risk.
Foreign currency risk	Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect to foreign currency risk.

2. Receivables and payables

a. Interfunds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

b. Property taxes and other receivables

In the fund financial and government-wide financial statements, all trade, property tax, and loan receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 2.00% to 85.00% of outstanding receivable balances and are calculated based upon prior collections.

In the fund financial statements, property taxes receivable which have not been collected as of June 30, have been recorded as deferred inflows of resources, since they are not considered to be available to finance expenditures of the current year.

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

Loan receivables consist of Community Development Block Grant loans. The Town provides the low interest loans for residential rehabilitation as well as loans to local businesses for facility improvements.

c. Leases receivable

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

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

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

Key estimates and judgments related to leases include:

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

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

3. Restricted assets

The restricted assets for the Town are restricted for performance bonds. Performance bonds are temporarily restricted until the monies are returned to the vendor after satisfactory completion of contract or the Town calls the bond for nonperformance.

4. Capital assets

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

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

Capital assets of the Town are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years	Threshold
Land	N/A	All
Construction in progress	N/A	$5,000 - $100,000 *
Intangible right-to-use leased assets	Lease term	20,000
Intangible right-to-use subscription assets	Subscription term	20,000
Land improvements	10-30	20,000
Buildings and systems	20-40	20,000
Machinery and equipment	5-20	5,000
Vehicles	3-15	5,000
Infrastructure	25-50	100,000

*Depending on asset classification

5. Deferred outflows/inflows of resources

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

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

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

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

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

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

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

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from property taxes (including advance collections, if any). These amounts are recognized as an inflow of resources in the period that the amounts become available.

6. Compensated absences

The liability for compensated absences represents the vacation and sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the Town's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay (or fixed amount per day for certain payouts) and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments that are directly and incrementally associated with payments for the leave. The Town utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the government-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported.

7. Special termination benefits

Termination benefits represent the present value of future benefits to be paid to former employees. Certain Board of Education employees were granted retirement awards based on years of service and other provisions in their contracts. A liability for these amounts has been recorded in the government-wide financial statements.

8. Long-term liabilities

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the governmental activities' statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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

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

9. Lease and subscription liabilities

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

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

Key estimates and judgments related to leases and subscriptions include:

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

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

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

10. Net position and fund balances

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

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

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

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

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable	This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
Restricted	This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.
Committed	This category presents amounts that can be used only for specific purposes determined by a formal action at the highest level of decision-making authority for the Town. Commitments may be established, modified or rescinded only through resolutions approved by the Town Council.
Assigned	This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Town's fund balance policy, the Board of Finance is authorized to assign fund balance. Intent is also expressed by a properly approved purchase order (encumbrance).
Unassigned	This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Town Council or Board of Finance has provided otherwise in its commitment or assignment actions.

Minimum fund balance policy

The Board of Finance has adopted a minimum fund balance policy for the General Fund. The policy establishes the intent to maintain a level of unassigned fund balance of at least 8.33% to 16.67% of annual budgeted expenditures.

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

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

11. Use of estimates

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

12. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

II. Stewardship, compliance and accountability

A. Excess expenditures over appropriations

The transfers out appropriation was over expended by $1,242,000. The transfers out were approved by the Town Council and Board of Finance from the current year budget surplus.

B. Capital projects authorizations

The following is a summary of certain capital projects:

Project	Project Authorization	Cumulative Expenditures	Balance
Fire apparatus	$ 3,200,000	$ -	$ 3,200,000
DPW trucks and equipment	520,000	515,047	4,953
School improvements	560,000	529,453	30,547
Wolfe Park Field	757,693	754,704	2,989
FY23 project scope and design development	750,000	280,676	469,324
FY23 DPW/P&R trucks and equipment	745,000	699,251	45,749
FY23 Fire apparatus and equipment	1,195,000	740,804	454,196
Community Center project	3,000,000	1,894,067	1,105,933
FY24 DPW trucks and equipment	1,030,000	658,486	371,514
FY24 school improvements	900,000	39,437	860,563
FY24 DPW paving equipment	355,000	355,000	-
FY24 BOE reading program	300,000	268,917	31,083
FY24 BOE JH auditorium lights	150,000	-	150,000
FY24 Animal control shelter	884,083	750,334	133,749
FY25 DPW Trucks and equipment	1,050,000	-	1,050,000
FY25 DPW highway office renovations	450,000	-	450,000
FY25 BOE upgrades and roof replacement	1,830,000	148,133	1,681,867
FY25 FY25 Stevenson fire chief vehicle	190,000	52,909	137,091
Road construction/reconstruction Phase 9	1,020,000	1,020,000	-
Road construction/reconstruction Phase 10	1,020,000	559,620	460,380
Road construction/reconstruction Phase 11	1,520,000	-	1,520,000
Pepper Street reconstruction	11,540,000	8,995,838	2,544,162
Totals	$ 32,966,776	$ 18,262,676	$ 14,704,100

II. Stewardship, compliance and accountability (continued)

C. Cumulative effect of change in accounting principle

The Town implemented the provisions of GASB Statement No. 101, "*Compensated Absences"* for the year ended June 30, 2025. In addition to the value of unused leave time owed to employees upon separation from employment, the Town now also recognizes as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result, the Town has reported a cumulative effect of change in accounting principle to the July 1, 2024 net position of governmental activities of $(3,242,607).

D. New accounting pronouncement

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosure for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of GASB Statement No. 102 are effective for the Town's fiscal year ended June 30, 2025. Management has determined that no events have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

III. Detailed notes

A. Cash and investments

1. Deposits – custodial credit risk

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

Bank balance	$ 15,977,086
Uninsured and uncollateralized	$ 3,530,795
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	432,215
Total amount subject to custodial credit risk	$ 3,963,010

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceeded the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Cash and investments (continued)

2. Investments

a. The Town's investments consisted of the following types and maturities. Specific identification was used to determine maturities:

		Investment Maturities (In Years)				
Type of Investment	Fair Value	N/A	Less Than 1	1-5 Years	5-10 Years	Over 10
Mutual funds:						
Money market	$ 959,554	$ -	$ 959,554	$ -	$ -	$ -
Equity	23,800,771	23,800,771	-	-	-	-
Bond	10,807,724	-	-	-	10,807,724	-
Real estate	144,426	144,426	-	-	-	-
Diversified	1,494,592	1,494,592	-	-	-	-
Bank money market	1,699,482	-	1,699,482	-	-	-
Certificates of deposit	10,583,732	-	10,583,732	-	-	-
Pooled fixed income	13,395,234	-	13,395,234	-	-	-
U.S. treasury obligations	13,733,226	-	13,733,226	-	-	-
U.S. government agency obligations	509,216	-	-	54,460	57,439	397,317
Total	$ 77,127,957	$ 25,439,789	$ 40,371,228	$ 54,460	$ 10,865,163	$ 397,317
Less fiduciary funds	(37,207,067)					
Other funds	$ 39,920,890					

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Cash and investments (continued)

b. The Town had the following recurring fair value measurements:

	Amount	Quoted Market Prices in Active Markets Level 1	Significant Observable Inputs Level 2
Investments by fair value level			
Mutual funds:			
Money market	$ 959,554	$ 959,554	$ -
Equity	23,800,771	23,800,771	-
Bond	10,807,724	10,807,724	-
Real estate	144,426	144,426	-
Diversified	1,494,592	1,494,592	-
U.S. treasury obligations	13,733,226	13,733,226	-
U.S. government agency obligations	509,216	-	509,216
Total investments by fair value level	51,449,509	$ 50,940,293	$ 509,216
Other investments:			
Bank money market	1,699,482		
Certificates of deposit	10,583,732		
Pooled fixed income	13,395,234		
Total other investments	25,678,448		
Total investments	$ 77,127,957		

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

Level 2: Quoted prices for identical investments in markets that are not active. Fair values are primarily obtained from third party pricing services for identical comparable assets. The market approach was used to determine the value of securities.

c. The Town's investments subject to credit risk had average ratings by Standard & Poor's as follows:

	Ratings		
Type of Investment	AAA	Unrated	Total
Mutual funds			
Money market	$ 959,554	$ -	$ 959,554
Bond	-	10,807,724	10,807,724
Diversified	-	1,494,592	1,494,592
Pooled fixed income	13,395,234	-	13,395,234
U.S. government agency obligations	509,216	-	509,216
Total	$ 14,864,004	$ 12,302,316	$ 27,166,320

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Cash and investments (continued)

d. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to $500,000, including $250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, debentures, certificates of deposit and money funds.

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

	Total	Less Insured Amounts	Amount Subject to Custodial Credit Risk
U.S. treasury obligations	$ 13,733,226	$ 500,000	$ 13,233,226
U.S. government agency obligations	509,216	-	509,216
Total	$ 14,242,442	$ 500,000	$ 13,742,442

B. Receivables

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

	Property Taxes		
	Taxes	Interest and lien fees	Total
Current portion	$1,005,663	$ 260,379	$1,266,042
Long-term portion	1,388,772	637,478	2,026,250
Less allowance for uncollectibles	(150,000)	(85,700)	(235,700)
Net long-term portion	1,238,772	551,778	1,790,550
Total receivable	$2,244,435	$ 812,157	$3,056,592

	EMS Accounts	Police Private Duty	CDBG Loans
Current portion	$ 135,969	$ 216,642	$ -
Long-term portion	425,068	18,200	90,500
Less allowance for uncollectibles	(425,068)	(18,200)	-
Net long-term portion	-	-	90,500
Totals	$ 135,969	$ 216,642	$ 90,500

B. Receivables (continued)

2. Leases receivable

Description	Number of Agreements	Original Term (Years)	Receivable	Deferred Inflows of Resources	Revenue	Interest Revenue
Cell towers	2	30-34	$ 4,033,977	$ 3,619,379	$ 122,894	$ 60,881
Less: current portion			(15,964)			
Long-term portion			$ 4,018,013			

C. Interfund accounts

1. Interfund payables and receivables

A summary of interfund balances is as follows:

	Corresponding Fund	Due From	Due To
General fund			
Capital reserve fund	N/A	$ -	$ 5,060,973
Reconstruction of Pepper Street fund	N/A	5,116,311	-
Other governmental funds	N/A	789,282	7,120,227
Internal service fund	N/A	-	528,233
Total general fund		5,905,593	12,709,433
Capital reserve fund	General fund	5,060,973	-
Reconstruction of Pepper Street fund	General fund	-	5,116,311

C. Interfund accounts (continued)

	Corresponding Fund	Due From	Due To
Other governmental funds			
Special revenue funds			
Library grants	General fund	$ 9,538	$ -
Wheeler library	General fund	80,320	-
Education grants	General fund	59,411	-
Education programs	General fund	1,186,878	-
WMNR radio station	General fund	-	3,602
Police grants	General fund	3,159	-
Police private duty	General fund	1,992,737	-
Recreation programs	General fund	924,466	-
Senior center grant and programs	General fund	171,095	-
Town grants and programs	General fund	777,322	200,265
Town road grants	General fund	1,236,564	-
Waste disposal	General fund	189,164	-
Cornelia Rogers	General fund	42,264	-
Total special revenue funds		6,672,918	203,867
Capital project funds			
Plan of conservation and development	General fund	42,683	-
Local capital improvements	General fund	404,626	585,415
Total capital projects		447,309	585,415
Total other governmental funds		7,120,227	789,282
Internal service fund			
Heart and hypertension	General fund	528,233	-
Total		$18,615,026	$18,615,026

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

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

C. Interfund accounts (continued)

2. Interfund transfers

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

	Corresponding Fund	Transfers In	Transfers Out
General Fund			
Capital Reserve Fund	N/A	$ 471,736	$1,701,086
Other Governmental Funds	N/A	18,561	7,500
Total General Fund		490,297	1,708,586
Capital Reserve Fund			
General Fund	N/A	1,701,086	471,736
Other Governmental Funds	N/A	-	71,820
Total Capital Reserve Fund		1,701,086	543,556
Other Governmental Funds			
Special Revenue Funds			
Plan of Conservation and Development	General Fund	7,500	-
Recreation Programs	Capital Reserve Fund	71,820	-
Total Special Revenue Funds		79,320	-
Capital Project Funds			
Education Bonded Projects	General Fund	-	18,561
Total Other Governmental Funds		79,320	18,561
Total		$2,270,703	$2,270,703

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

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

D. Capital assets

Capital asset activity for the fiscal year was as follows:

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets, not being depreciated/amortized:				
Land	$ 14,806,516	$ -	$ -	$ 14,806,516
Construction in progress	9,284,894	4,444,701	762,394	12,967,201
Total capital assets, not being depreciated/amortized	24,091,410	4,444,701	762,394	27,773,717
Capital assets, being depreciated/amortized:				
Intangible right-to-use-assets				
Intangible right-to-use leased buildings	585,981	-	-	585,981
Intangible right-to-use leased equipment	91,297	-	-	91,297
Intangible right-to-use subscriptions	200,562	241,909	-	442,471
Land improvements	5,344,554	28,300	-	5,372,854
Buildings and systems	113,286,231	909,184	-	114,195,415
Machinery and equipment	13,605,614	1,904,069	152,398	15,357,285
Vehicles	15,900,340	1,280,053	100,641	17,079,752
Infrastructure	61,497,153	1,305,901	238,470	62,564,584
Total capital assets, being depreciated/amortized	210,511,732	5,669,416	491,509	215,689,639
Total capital assets	234,603,142	10,114,117	1,253,903	243,463,356
Less accumulated depreciation/amortization for:				
Intangible right-to-use-assets				
Intangible right-to-use leased buildings	195,304	67,361	-	262,665
Intangible right-to-use leased equipment	64,810	21,604	-	86,414
Intangible right-to-use subscriptions	83,752	122,513	-	206,265
Land improvements	3,270,832	331,593	-	3,602,425
Buildings and systems	71,485,683	2,207,983	-	73,693,666
Machinery and equipment	8,997,025	1,196,991	119,688	10,074,328
Vehicles	10,984,662	1,134,636	100,641	12,018,657
Infrastructure	44,892,303	1,108,931	238,470	45,762,764
Total accumulated depreciation/amortization	139,974,371	6,191,612	458,799	145,707,184
Total capital assets, being depreciated/amortized, net	70,537,361	(522,196)	32,710	69,982,455
Capital assets, net	$ 94,628,771	$ 3,922,505	$ 795,104	$ 97,756,172

D. Capital assets (continued)

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

General government	$ 276,903
Public safety	1,402,518
Public works	1,718,828
Culture and recreation	510,162
Education	2,283,201
Total depreciation/amortization expense	$ 6,191,612

E. Construction commitments

The Town has the following construction commitments:

Fire engine refurbishment	$ 458,657

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

F. Changes in long-term liabilities

Bonds and notes payable are direct borrowings and pledge the full faith and credit of the Town.

1. Summary of changes

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

Description	Original Amount	Year of Issue	Date of Maturity	Interest Rate	Balance July 1, 2024 *(as restated)*	Additions	Deductions	Balance June 30, 2025	Current Portion	Long-Term Portion
Bonds:										
General purpose:										
General obligation	$ 810,000	2016	07/01/26	1.50-4.00%	$ 240,000	$ -	$ 80,000	$ 160,000	$ 80,000	$ 80,000
Refunding bonds	6,490,000	2016	09/15/28	2.00-4.00%	1,945,000	-	650,000	1,295,000	660,000	635,000
General obligation	5,435,000	2018	06/15/28	3.00-5.00%	2,165,000	-	545,000	1,620,000	545,000	1,075,000
Refunding bonds	2,958,000	2018	04/01/26	3.00-5.00%	649,000	-	481,000	168,000	168,000	-
General obligation	2,315,000	2019	05/01/30	4.00-5.00%	1,380,000	-	230,000	1,150,000	230,000	920,000
Refunding bonds	2,003,000	2020	04/15/30	4.00-5.00%	1,289,000	-	202,000	1,087,000	207,000	880,000
General obligation	9,815,000	2022	11/15/41	2.00-4.00%	8,250,000	-	775,000	7,475,000	775,000	6,700,000
General obligation	5,010,000	2024	07/15/34	4.00-5.00%	-	5,010,000	-	5,010,000	504,000	4,506,000
Total general purpose	34,836,000				15,918,000	5,010,000	2,963,000	17,965,000	3,169,000	14,796,000
School bonds:										
General obligation	1,800,000	2016	07/01/26	1.50-4.00%	540,000	-	180,000	360,000	180,000	180,000
Refunding bonds	730,000	2016	09/15/28	2.00-4.00%	510,000	-	100,000	410,000	105,000	305,000
General obligation	2,650,000	2018	06/15/28	3.00-5.00%	1,060,000	-	265,000	795,000	265,000	530,000
Refunding bonds	4,082,000	2018	04/01/26	3.00-5.00%	896,000	-	664,000	232,000	232,000	-
Refunding bonds	1,812,000	2020	04/15/30	4.00-5.00%	1,166,000	-	183,000	983,000	188,000	795,000
General obligation	560,000	2024	07/15/34	4.00-5.00%	-	560,000	-	560,000	56,000	504,000
Total school bonds	11,634,000				4,172,000	560,000	1,392,000	3,340,000	1,026,000	2,314,000
Total bonds	46,470,000				20,090,000	5,570,000	4,355,000	21,305,000	4,195,000	17,110,000

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

F. Changes in long-term liabilities (continued)

Description	Original Amount	Year of Issue	Date of Maturity	Interest Rate	Balance July 1, 2024 *(as restated)*	Additions	Deductions	Balance June 30, 2025	Current Portion	Long-Term Portion
Notes (direct borrowings):										
Copiers	$ 317,240	2021	06/30/25	2.75%	$ 65,146	$ -	$ 65,146	$ -	$ -	$ -
Total bonds/notes	$ 46,787,240				20,155,146	5,570,000	4,420,146	21,305,000	4,195,000	17,110,000
Leases payable					457,735	-	91,092	366,643	82,335	284,308
Subscription payable					103,748	241,909	156,080	189,577	117,856	71,721
Total long-term debt					20,716,629	5,811,909	4,667,318	21,861,220	4,395,191	17,466,029
Premium					1,574,209	454,294	314,634	1,713,869	-	1,713,869
Total long-term debt and related liabilities					22,290,838	6,266,203	4,981,952	23,575,089	4,395,191	19,179,898
Compensated absences (net change)					5,657,540	-	27,657	5,629,883	1,125,977	4,503,906
Special termination benefits					6,441,789	350,000	1,381,939	5,409,850	180,000	5,229,850
Heart and hypertension claims payable					354,148	6,070	58,099	302,119	51,686	250,433
Landfill closure and post closure					1,985,625	151,350	-	2,136,975	-	2,136,975
Net pension liability					11,058,360	4,388,631	5,720,346	9,726,645	-	9,726,645
Net OPEB liability					8,714,979	1,211,724	2,323,104	7,603,599	478,000	7,125,599
Total long-term liabilities					$ 56,503,279	$ 12,373,978	$ 14,493,097	$ 54,384,160	$ 6,230,854	$ 48,153,306

The compensated absences balance as of July 1, 2024 has been restated due to the implementation of GASB Statement No. 101 as discussed in Note II.C.

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

F. Changes in long-term liabilities (continued)

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

Year Ended June 30,	Bond Principal	Total Interest
2026	$ 4,195,000	$ 746,900
2027	3,575,000	589,150
2028	2,980,000	459,000
2029	2,190,000	338,600
2030	1,995,000	253,775
2031	1,335,000	176,125
2032	1,335,000	128,750
2033	755,000	93,950
2034	755,000	67,850
2035	755,000	41,750
2036	205,000	26,650
2037	205,000	22,550
2038	205,000	18,450
2039	205,000	14,350
2040	205,000	10,250
2041	205,000	6,150
2042	205,000	2,050
Total	$ 21,305,000	$ 2,996,300

2. Statutory debt limitations

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

Category	Debit Limit	Net Indebtedness	Balance
General purpose	$ 197,232,408	$ 17,965,000	$ 179,267,408
Schools	394,464,816	3,340,000	391,124,816
Sewer	328,720,680	-	328,720,680
Urban renewal	284,891,256	-	284,891,256
Pension deficit	262,976,544	-	262,976,544

In no event shall total indebtedness exceed seven times the base for debt limitation computation:	$ 613,611,936

F. Changes in long-term liabilities (continued)

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

3. Authorized/unissued bonds

The amount of authorized, unissued bonds are as follows:

General purpose	$ 14,578,000
Schools	1,171,466
Total	$ 15,749,466

4. Landfill closure and post-closure care costs

State and Federal laws and regulations require that the Town place a cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The cost of landfill closure and post closure care is allocated based on landfill capacity used to date which is 100%. The landfill has been converted to a transfer station facility for residents.

The Town currently has no plans to close the landfill. The estimated total current costs of landfill closure is $1,536,975, which is based on what it would cost to perform all closure at 2025 prices with a third party performing the closure work.

Estimated total current costs of landfill post-closure care is $600,000, which is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfill. However, the actual cost of closure and monitoring and other post-closure care may be higher due to inflation, deflation, changes in technology or changes in landfill laws and regulations.

5. Leases

Lease agreements are summarized as follows:

Description	Number of Agreements	Original Term (years)	Interest Rate*	Original Amount	Balance
Education postage machine	1	5	2.75%	$ 36,858	$ 6,122
Cell tower - Bedford, NY	1	5	2.75%	27,501	11,743
Cell tower - Sag Harbor, NY	1	15	2.75%	175,813	159,325
WMNR building	1	7	2.75%	382,666	189,453
Total				$ 622,838	$ 366,643

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

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

F. Changes in long-term liabilities (continued)

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

Year Ending June 30	Principal	Interest
2026	$ 82,335	$ 10,083
2027	82,064	7,818
2028	70,437	5,562
2029	10,495	3,625
2030	11,207	3,336
2031	11,952	3,028
2032	12,730	2,699
2033	13,543	2,349
2034	14,392	1,977
2035	15,279	1,581
2036	16,205	1,161
2037	17,172	715
2038	8,832	242
Totals	$ 366,643	$ 44,176

6. Subscription arrangements

Subscription arrangements are summarized as follows:

Description	Number of Agreements	Original Term (years)	Interest Rate*	Original Amount	Balance
Public safety communications system network	1	5	2.75%	$ 165,290	$ 43,589
Web hosting	1	4	2.75%	35,272	9,180
Cloud based ERP software	1	3	4.70%	241,909	136,808
Total				$ 442,471	$ 189,577

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

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

F. Changes in long-term liabilities (continued)

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

Year Ending June 30	Principal	Interest
2026	$ 117,856	$ 7,881
2027	71,721	3,370
Totals	$ 189,577	$ 11,251

G. Fund balances and restricted net position

Fund balances are composed of the following:

Fund Balance Component	General Fund	Capital Reserve Fund	Reconstruction of Pepper Street Fund	Other Governmental Funds	Total
Nonspendable:					
Lease receivable	$ 398,634	$ -	$ -	$ -	$ 398,634
Restricted:					
Town programs	-	-	-	570,939	570,939
Housing rehabilitation	-	-	-	203,940	203,940
Town clerk fees *	-	-	-	104,618	104,618
Public safety programs	-	-	-	36,610	36,610
Public works	-	-	-	1,202,601	1,202,601
Health and welfare	-	-	-	35,863	35,863
Culture and recreation	-	-	-	42,264	42,264
Senior center programs	371,509	-	-	-	371,509
Library programs	-	-	-	87,517	87,517
School lunch programs *	-	-	-	375,475	375,475
Total restricted	371,509	-	-	2,659,827	3,031,336
Committed:					
Legal purposes	119,870	-	-	-	119,870
Special education	1,000,000	-	-	-	1,000,000
Emergency disaster relief	624,975	-	-	-	624,975
Public safety programs	-	-	-	2,105,264	2,105,264
Public works programs	-	-	-	248,600	248,600
Culture and recreation programs	-	-	-	1,808,826	1,808,826
School activity	-	-	-	405,634	405,634
Education programs	-	-	-	1,159,215	1,159,215
Construction commitments	-	458,657	-	-	458,657
Capital projects	-	4,681,783	-	61,307	4,743,090
Total committed	1,744,845	5,140,440	-	5,788,846	12,674,131

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

G. Fund balances and restricted net position (continued)

Fund Balance Component	General Fund	Capital Reserve Fund	Reconstruction of Pepper Street Fund	Other Governmental Funds	Total
Assigned:					
Subsequent year's budget	$ 4,618,561	$ -	$ -	$ -	$ 4,618,561
General government programs	74,232	-	-	-	74,232
Unallocated capital projects	-	81,489	-	-	81,489
Total assigned	4,692,793	81,489	-	-	4,774,282
Unassigned	21,581,531	-	(989,181)	-	20,592,350
Total	$ 28,789,312	$ 5,221,929	$ (989,181)	$ 8,448,673	$ 41,470,733
General Fund encumbrances totaled:	$ 74,232				

*The amount of restricted net position, which was restricted by enabling legislation, totaled $ 480,093

H. Deficit fund balances

The Town had deficit fund balances in the following funds:

Fund	Deficit	Deficit will be eliminated by
Reconstruction of Pepper Street Fund	$ 989,181	Future grant revenues, transfers in and/or bonding

IV. Other information

A. Risk management

The Town is exposed to various risks of loss including torts, theft of, damage to and destruction of assets; errors or omissions; injuries to employees and natural disasters. The Town obtains commercial insurance for these risks. Additionally, insurance coverage has been purchased to limit the Town's liability for worker's compensation, general liability and medical claims. Settled claims have not exceeded commercial coverage in any of the past three years, and there has not been any significant reductions in insurance coverage from amounts held in prior years.

The Town is a member of 2 public entity risk pools established under the provisions of the Connecticut General Statutes Section 7-479a et. seq. The Town is liable only for contributions to the pool. Members do not retain the risk of loss, as they have transferred the risk by purchasing pool coverage with no deductible retention. A separate agreement limits the member's obligation to pay indemnification obligations and expenses should the pool be unable to do so.

The Liability-Automobile-Property risk sharing pool provides coverage for general liability, automobile liability, employee benefit liability, law enforcement liability, public officials and property coverage. The premium is subject to these coverages and claims and expense payments falling within the deductible amounts are the responsibility of the Town.

A. Risk management (continued)

The Workers' Compensation risk sharing pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an insured loss retrospective rating plan and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. The premium is subject to a payroll audit at the close of the coverage period.

The pools' retention, excess insurance, and Town's coverage limits are as follows:

Pool	Pool Retention	Pool Excess Insurance	Town Coverage Limit
Liability	$ 1,500,000	$ 11,000,000	$ 1,000,000
Property	4,000,000	500,000,000	1,000,000
Boiler and machinery	1,000,000	100% in excess of insurance	n/a
Workers' compensation	1,000,000	100% in excess of insurance	1,000,000

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

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss for heart and hypertension claims. The fund records all claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The Internal Service Fund is funded by the General Fund based on estimated cost of claim payments based on employee census, historical cost estimates of the amounts needed to pay prior and current year claims and administration. Claims liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based on available information.

The Town records all claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated in the government-wide statements. The claims liability reported is based upon accounting principles which require that a liability for estimated claims incurred but not reported be accrued. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation and other future economic and social factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

A. Risk management (continued)

	Claims Payable July 1	Current Year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30	Current Portion	Long-Term Portion
Heart and Hypertension						
2023-2024	$ 364,858	$ 46,089	$ 56,799	$ 354,148	$ 52,075	$ 302,073
2024-2025	354,148	6,070	58,099	302,119	51,686	250,433

B. Commitments and litigation

Amounts received or receivable from Federal and State grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time.

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

C. Tax abatements

An economic development tax incentive program was enacted pursuant to Section 12-65b of the Connecticut General Statutes. This program is intended to attract new businesses to the Town and encourage the expansion of existing businesses to strengthen the Town's tax base.

The program is designed to provide the Town with the opportunity to create new employment, enhance the tax base, encourage technological innovation or investment, or address other goals of the Town. The program is available for strategic businesses, locally owned small business, restaurants and other retail establishments, affordable housing, warehousing and distribution centers.

The economic development tax incentive amount is based upon the total cost of improvements to real property. The form of the adjustment or reduction in the assessed value of that portion of the real property is comprised of the qualifying new construction or expansion.

The program's abatement schedule is as follows:

Cost of Improvements	Abatement	Term
$ 10,000,000+	Up to 50% of Increased Assessment	Up to 7 years
$ 5,000,000+	Up to 30% of Increased Assessment	Up to 7 years
$ 3,000,000+	Up to 20% of Increased Assessment	5 to 7 years
$ 500,000+	Up to 30% of Increased Assessment	Up to 3 years
$ 100,000+	Up to 20% of Increased Assessment	Up to 3 years
$ 25,000+	Up to 50% of Increased Assessment	Up to 3 years

C. Tax abatements (continued)

There are currently five companies participating in the economic development tax incentive program. The amount of the tax abatement under these programs was approximately $69,690.

V. Pensions and other post-employment benefit plans

A. Pension plans

1. Plan description

a. Plan administration

The Town is the administrator of a single employer public employee retirement system (“Plan”), the Town of Monroe Retirement Income Plan, established and administered by the Town to provide pension benefits for its general government and Board of Education employees (excluding teachers covered under the Connecticut State Teachers’ Retirement System (“TRS”)). The Plan is considered to be part of the Town of Monroe financial reporting entity and is included in the Town’s financial statement as a pension trust fund. A separate stand-alone financial report is not issued. The Plan is administered by the Pension Committee (“Committee”), which is a subcommittee of the Town Council.

The Plan provides retirement benefits through a single employer contributory defined benefit plan. Members include substantially all Town and Board of Education employees, except for police department employees and teachers.

Benefit and contributions are established by the Town, via negotiated contracts, and may be amended only by the approval of the Town Council, and as agreed upon with the appropriate bargaining unit.

The Plan is closed to all new hires in the Town employee groups and Education nurse group.

b. Plan membership

The membership in the Plan as of the date indicated is comprised of the following:

Valuation date: July 1, 2024	Town	Education
Active members	30	67
Terminated employees entitled to benefits	41	41
Retirees, disabled employees, and beneficiaries receiving benefits	62	60
Total	133	168

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Pension plans (continued)

2. Benefit provisions

	Town	Education
Normal retirement	Age 65	Age 65
Service requirement	5 years	5 years
Benefit calculation	Highway employees: 1.625% of final average compensation per year of service to a maximum of 35 years Clerical and non-union: 1.75% of final average compensation per year of service to a maximum of 35 years. Supplemental benefit for employees hired prior to July 1, 2015 of $200 per month payable for the life of retiree Supervisors: 1.75% of final average compensation per year of service to a maximum of 35 years	1.75% of final average compensation per year of service to a maximum of 35 years
Final average compensation	Average annual rate of pay earned during the highest 5 consecutive years out of the last 10 years	Average annual rate of pay earned during the highest 5 consecutive years out of the last 10 years
Early retirement age	55	55
Early retirement service requirement	15 years	15 years
Early retirement amount	Normal accrued benefit, reduced by 0.60% for the first 60 months and 0.30% for the remaining number of months before age 65	Normal accrued benefit, reduced by 0.60% for the first 60 months and 0.30% for the remaining number of months before age 65
Vesting - age	None	None
Vesting - service	5 years	5 years
Vesting - amount	100% of accrued benefit	100% of accrued benefit
Pre-retirement death benefit amount	100% of employee benefit who is eligible for normal or early retirement and married for 12 months	100% of employee benefit who is eligible for normal or early retirement and married for 12 months
Post-retirement death benefit amount	Lump sum: 100% of contributions plus interest made by the employee, less total benefits paid	Lump sum: 100% of contributions plus interest made by the employee, less total benefits paid
Cost of living increases	None	None

B. Pension plans (continued)

3. Contributions

Employee contributions as a percentage of their pensionable wages are as follows:

Town	
Highway employees	3.00%
Clerical and non-union employees	3.85%
Supplemental benefit	1.00%
Supervisors	3.85%
Education	4.75%

The Town is required to contribute the remaining amounts as determined by actuarial valuations.

The Town's average contribution rate as a percentage of covered payroll was:

Town	9.55%
Education	6.08%

4. Investments

a. Investment policy and rate of return

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

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

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

A. Pension plans (continued)

For both plans, the following is the Committee's adopted asset allocation policy and long-term expected real rate of return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap equities	28.50%	3.90%
International equity developed	17.00%	5.60%
Core fixed income	21.00%	3.10%
Dynamic bonds	5.50%	3.90%
Emerging markets	8.00%	7.50%
U.S. small cap equities	12.00%	3.40%
Broad real assets	4.50%	4.90%
TIPS	1.50%	2.60%
Global bonds	2.00%	3.00%
Total/weighted average	100.00%	4.25%
Long-term inflation expectation		2.40%
Long-term expected nominal return		6.65%

Annual money-weighted rate of return	Town	Education
The annual money-weighted rate of return on pension plan investments (net of pension plan investment expense) was:	11.74%	11.72%

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

b. Concentrations

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

5. Net pension liability (asset)

The components of the net pension liability were as follows:

	Town	Education
Total pension liability	$ 15,476,136	$ 16,813,002
Plan fiduciary net position	16,395,741	17,516,286
Net pension liability (asset)	$ (919,605)	$ (703,284)
Plan fiduciary net position as a percentage of the total pension liability	105.94%	104.18%

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Pension plans (continued)

6. Actuarial methods and significant assumptions

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

	Town	Education
Valuation date	July 1, 2024	July 1, 2024
Investment rate of return	6.75%	6.75%
Inflation rate	2.40%	2.40%
Projected salary increases	3.40%	3.40%
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level percentage of salary	Level percentage of salary
Mortality table	Pub-2010 Public Retirement Plans Amount-Weighted Mortality tables projected to valuation date with Scale MP-2021	Pub-2010(B) Public Retirement Plans Below Median Amount-Weighted Mortality Tables projected to the valuation date with Scale MP-2021

7. Changes from prior year

a. Changes in assumptions

There were no changes in assumptions during the year.

b. Changes in benefit terms

There were no benefit changes during the year.

8. 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 projected fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rate of return on pension plan investments was used to discount plan liabilities.

A. Pension plans (continued)

9. Changes in the net pension liability (asset)

The Town's net pension liability (asset) was measured at June 30, 2025, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation dated as noted below. The changes in net pension liability (asset) were as follows:

Valuation Date: July 1, 2024	Increase (Decrease)		
Town Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at July 1, 2024	$ 15,406,112	$ 15,403,803	$ 2,309
Service cost	238,230	-	238,230
Interest	1,021,930	-	1,021,930
Differences between expected and actual experience	(164,115)	-	(164,115)
Contributions - employer	-	198,865	(198,865)
Contributions - member	-	82,472	(82,472)
Net investment income (loss)	-	1,779,870	(1,779,870)
Benefit payments, including refunds of member contributions	(1,026,021)	(1,026,021)	-
Administration expenses	-	(43,248)	43,248
Net change	70,024	991,938	(921,914)
Balance at June 30, 2025	$ 15,476,136	$ 16,395,741	$ (919,605)

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Pension plans (continued)

Valuation Date: July 1, 2024	Increase (Decrease)		
Education Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at July 1, 2024	$ 16,585,397	$ 16,113,072	$ 472,325
Service cost	406,859	-	406,859
Interest	1,116,718	-	1,116,718
Differences between expected and actual experience	(384,518)	-	(384,518)
Contributions - employer	-	278,450	(278,450)
Contributions - member	-	209,264	(209,264)
Net investment income (loss)	-	1,850,239	(1,850,239)
Benefit payments, including refunds of member contributions	(911,454)	(911,454)	-
Administration expenses	-	(23,285)	23,285
Net change	227,605	1,403,214	(1,175,609)
Balance at June 30, 2025	$ 16,813,002	$ 17,516,286	$ (703,284)

10. Sensitivity of the net pension liability (asset) to changes in the discount rate

The following presents the net pension liability (asset), calculated using the discount rate as well as what the Town’s net pension liability (asset) 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:

Plan	Discount Rate	1% Decrease	Current Discount Rate	1% Increase
Town plan	6.75%	$ 992,757	$ (919,605)	$ (2,543,183)
Education plan	6.75%	$ 1,192,386	$ (703,284)	$ (2,319,269)

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

A. Pension plans (continued)

11. Pension expense and deferred outflows and inflows of resources

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

Town Plan	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	$ -	$ 155,681	$ (155,681)
Changes in assumptions	3,994	-	3,994
Net difference between projected and actual earnings on pension plan investments	-	697,386	(697,386)
Total amount of deferred outflows/inflows	$ 3,994	$ 853,067	$ (849,073)

Pension Expense	
The plan recognized pension expense of:	$ (412,461)

Education Plan	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	$ -	$ 530,936	$ (530,936)
Changes in assumptions	14,585	-	14,585
Net difference between projected and actual earnings on pension plan investments	-	765,170	(765,170)
Total amount of deferred outflows/ inflows	$ 14,585	$ 1,296,106	$ (1,281,521)

Pension Expense	
The plan recognized pension expense of:	$ (371,604)

Actual investment earnings below (or above) projected earnings are amortized over 5 years. Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive employees, which were as follows:

Plan	Years
Town	1.9
Education	4.2

A. Pension plans (continued)

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

Year Ending June 30,	Town	Education
2026	$ 56,481	$ (35,068)
2027	(429,858)	(639,104)
2028	(326,835)	(433,548)
2029	(148,861)	(173,801)
Total	$ (849,073)	$ (1,281,521)

12. Defined contribution retirement savings plan

Certain Town and Education employees are eligible to participate in a defined contribution retirement savings plan administered by the Town known as the Town of Monroe 401(a) money purchase pension plan. This is in lieu of the defined benefit plan for certain Town and Education employees. The benefits and contribution requirements are established by approval of the Town Council. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employer contributions are based on union contracts. Employees may make additional contributions subject to IRS regulations. The Plan is not reported as a fiduciary fund by the Town as it does not meet the reporting criterion.

The Town matches employees' contributions up to 3.00% of base pay. The Town contributions for each employee are 100% vested after three years.

Voluntary contributions up to the amount allowable under IRS regulations may be made by employees to the Town's 457 plan. These contributions may be withdrawn at any time, although earned interest will not be paid until such time as benefits are otherwise payable to the employee.

During the year, the employer and employee contributions were $237,973 and $624,207, respectively.

B. Connecticut municipal employees' retirement system

1. Plan description

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

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

B. Connecticut municipal employees' retirement system (continued)

The plan has 4 sub plans as follows:

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

2. Benefit provisions

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

B. Connecticut municipal employees' retirement system (continued)

Early retirement	5 years of continuous service or 15 years of active aggregate service
Early retirement amount	Calculated on the basis of average final compensation and service to date of termination. Deferral to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.
Service connected disability amount	Calculated based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.
Non-service connected disability service requirement	10 years of service
Non-service connected disability service amount	Calculated based on compensation and service to the date of the disability.
Pre-retirement death benefit amount	Lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.
Cost of living increases	A 5 year phase-out of the Cost-Of-Living-Adjustment (COLA) floor from the existing 2.5% to 0.0%, which reduces the floor by 0.5% each year for future retirees, beginning July 1, 2025, reducing to 0.0% on July 1, 2029.
	Subject to the COLA floors outlined above, for years in which inflation (as measured by the CPI-W) increases by 2.0% or less, the MERS COLA will track inflation directly. For those years in which inflation increases by 2.0% or more, the COLA will be 60.0% of the inflation rate up to 6.0%, and 75.0% of the inflation rate in excess of 6.0% with a maximum COLA of 7.5%.

3. Contributions

Contributions are established by the Statutes as follows:

Employer

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

Employees

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

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

B. Connecticut municipal employees' retirement system (continued)

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

The Town reported the following relative to the plan:

Measurement date	June 30, 2024
Valuation date	June 30, 2024
Proportionate share of the collective net pension liability	$ 9,726,645
Police officers and firefighters with social security sub plan:	
Town percentage of total plan participating employers expected payroll	8.833593%
Increase (decrease) from prior year	(0.370125%)

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

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

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows
Net difference between projected and actual earnings on pension plan investments	$ 1,249,123	$ -	$ 1,249,123
Change in assumptions	1,005,182	-	1,005,182
Change in proportional share	394,698	213,621	181,077
Differences between expected and actual experience	-	176,965	(176,965)
Town contributions subsequent to measurement date	1,114,489	-	1,114,489
Total	$ 3,763,492	$ 390,586	3,372,906
Contributions subsequent to the measurement date to be recognized as a reduction of the collective net pension liability in the subsequent year			(1,114,489)
Net amortized amount of deferred inflows and outflows			$ 2,258,417

Pension Expense	
The Plan recognized pension expense of:	$ 1,496,029

B. Connecticut municipal employees' retirement system (continued)

Actual investment earnings below (or above) projected earnings are amortized over 5.00 years. Changes in proportional share and differences between expected and actual results are amortized over the average remaining service period of active and inactive employees which was 5.21 years.

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

Year Ending June 30,	
2026	$ 762,264
2027	1,252,091
2028	241,198
2029	(11,115)
2030	13,979
Total	$ 2,258,417

5. Actuarial assumptions

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

Valuation date	June 30, 2024	
Investment rate of return	7.00%	
Inflation	2.50%	
Salary increases	3.50-9.50%, including inflation	
Cost of living adjustments	Retired prior to January 1, 2002 who have reached age 65	3.25%
	Retired prior to January 1, 2002 who have not reached age 65	2.50%
	Retired after December 31, 2001 regardless of age	2.55%
	Retirement date July 1, 2025 to June 30, 2026	2.50%
	Retirement date July 1, 2026 to June 30, 2027	2.30%
	Retirement date July 1, 2027 to June 30, 2028	2.10%
	July 1, 2028 and after	2.00%
Mortality rates	The Pub-2010 mortality tables for healthy retiree, disabled retiree, contingent annuitant, active employee set-forward one year (except active employees) and projected generationally with scale MP-2021	

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2022.

B. Connecticut municipal employees' retirement system (continued)

Long-term expected rate of return

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

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

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

6. Discount rate

The discount rate used to measure the collective total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

B. Connecticut municipal employees' retirement system (continued)

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

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

	Current Rate	1% Decrease	Current Discount Rate	1% Increase
Town's proportional share of the net pension liability	7.00%	$ 13,961,130	$ 9,726,645	$ 6,210,183

8. Plan fiduciary net position

The net pension liability, pension expense and deferred outflows and inflows of resources presented in this report have been determined based on CMERS' fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2024, which was audited by the State of Connecticut Auditors of Public Accounts. CMERS is included in the State of Connecticut's ACFR as a pension trust fund.

9. Future plan changes

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

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

Beginning July 1, 2025, a Deferred Retirement Option Plan (DROP), capped at 5 years of participation in the program, will be offered based on the following eligibility:

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

C. Connecticut state teachers' retirement system

1. Plan description

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

2. Benefit provisions

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Benefit calculation	2.00% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary)
Minimum benefit	Effective January 1, 1999, Public Act 98-251 provides a minimum monthly completed at least 25 years of full time Connecticut service at retirement.
Early retirement	25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service
Early retirement amount	Benefit amounts are reduced by 6.00% per year for the first 5 years preceding normal retirement age and 4.00% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.00% per year by which retirement precedes normal retirement date
Service connected disability amount	2.00% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of annual average salary
Non-service connected disability service requirement	5 years of credited service
Vesting - service	10 years of service
Vesting - amount	100%
Pre-retirement death benefit amount	Lump-sum return of contributions with interest or surviving spouse benefit depending on length of service

C. Connecticut state teachers' retirement system (continued)

3. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employer (school districts)

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

Employees

Each teacher is required to contribute 7.00% of their pensionable wages.

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

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

Town's proportionate share of the collective net pension liability	$ -
State's proportionate share of the collective net pension liability associated with the Town	111,216,702
Total	$ 111,216,702
The plan recognized pension expense and revenue for on-behalf amounts for contributions to the plan by the State of:	$ 10,962,441

The collective net pension liability was measured as of June 30, 2024, and the collective total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of June 30, 2024.

C. Connecticut state teachers' retirement system (continued)

5. Actuarial assumptions

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

Valuation date	June 30, 2024
Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019

Future cost-of-living increases are as follows:

Teachers who retired prior to September 1, 1992	Pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3.00% and a maximum of 5.00% per annum
Teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992	Pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 6.00% per annum. If the return on assets in the previous year was less than 8.50%, the maximum increase is 1.50%
Teachers who were members of the Teachers' Retirement System after July 1, 2007	Pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 5.00% per annum. If the return on assets in the previous year was less than 11.50%, the maximum increase is 3.00%, and if the return on the assets in the previous year was less than 8.50%, the maximum increase is 1.00%

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

Changes in assumptions and inputs

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

C. Connecticut state teachers' retirement system (continued)

Long-term expected rate of return

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

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

Asset Class	Target Allocation	Long-Term Target Expected Real Rate of Return
Global equity	37.00%	6.80%
Public credit	2.00%	2.90%
Core fixed income	13.00%	0.40%
Liquidity fund	1.00%	(0.40%)
Risk mitigation	5.00%	0.10%
Private equity	15.00%	11.20%
Private credit	10.00%	6.10%
Real estate	10.00%	6.20%
Infrastructure and natural resources	7.00%	7.70%
Total	100.00%	

6. Discount rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

C. Connecticut state teachers' retirement system (continued)

8. Plan fiduciary net position

The net pension liability and proportional share of pension expense presented in this report have been determined based on Connecticut State Teachers Retirement Systems' fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2024, which was audited by the State of Connecticut Auditors of Public Accounts and is included in the State of Connecticut's ACFR as a pension trust fund.

D. Total pension plans

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Town Employees	$ 919,605	$ -	$ 3,994	$ 853,067	$ (412,461)
Education Employees	703,284	-	14,585	1,296,106	(371,604)
MERS	-	9,726,645	3,763,492	390,586	1,496,029
Total	$ 1,622,889	$ 9,726,645	$ 3,782,071	$ 2,539,759	$ 711,964

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

1. Plan description

a. Plan administration

The Town provides certain health care benefits for retired police employees through a single-employer defined benefit other post-employment benefits plan administered by the Town in accordance with the police collective bargaining agreements, the Town of Monroe Police Other Post-Employment Benefits ("OPEB") Trust Fund. The plan does not issue a separate financial statement. Administration costs are financed from investment earnings.

The Town provides other post-employment benefits for retired Board of Education employees through a single-employer defined benefit plan administered by the Town in accordance with various collective bargaining agreements, the Town of Monroe Education Other Post-Employment Benefit ("OPEB") Plan. The plan does not issue a separate financial statement. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The Education plan is closed to new hires in the nurse and paraprofessional groups.

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

b. Plan membership

The membership in the Plan as of the date indicated is comprised of the following:

Valuation date: July 1, 2024	Police	Education
Active members	41	447
Retirees, disabled employees, and beneficiaries receiving benefits	4	64
Total	45	511

2. Benefit provisions

Police

The Police plan provides for medical, dental and life insurance benefits for all eligible Police retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations. Police with 25 years of service are eligible for pre-65 medical coverage at retirement. Coverage continues until the earlier of age 65 or 15 years of coverage at retirement.

Education

Board of Education employees are eligible for medical benefits as follows:

- Certified teachers and administrators – Retirement under the State Teachers' Plan. Coverage goes through age 65 for those eligible for Medicare or life for those not eligible for Medicare.

- Non-certified – Age 55 with 15 years of service or age 65 with 5 years of service. Coverage is for life.

3. Contributions

Police

There are no active employee contributions to the plan. The retiree pays 25.00% of the cost of single coverage. The Town pays the remaining cost of coverage. The retiree pays 100% of the cost of coverage for the spouse (if applicable).

In accordance with the trust agreement, the Town shall contribute at least annually, such amounts as shall be determined by the Town. There is no contractual obligation for the Town to continue contributions to the Trust Fund and may at any time discontinue the Plan and/or contributions to the Trust Fund. Town contributions to the trust were 4.35% of covered payroll for the year.

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

Education

Teachers who no longer work for the Board of Education are allowed by State Statute to participate in the Town's group medical insurance plan until they formally begin receiving benefits from the State Teachers' Retirement Plan. These retirees are required to contribute the cost of the insurance to the Town less the Board of Education offset which is:

- Certified – Payable for retirement after July 1, 2011 for the earlier of 10 years or attainment of age 65. The offset is based on hire date and years of service and ranges from:
  - $1,125 and $3,000 for single coverage; $3,100 and $4,000 for administrators
  - $2,475 and $6,600 for two-person coverage; $6,100 and $8,000 for administrators
- Non-certified - $2,400 if retired under Rule of 75, $3,000 if retired under Rule of 85 and $4,200 if retired under Rule of 90.

4. Investments

a. Investment policy and rate of return

The Police OPEB plan’s policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board by a majority vote of its members. It is the policy of the Town's Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap domestic equity	25.00%	3.90%
Mid cap domestic equity	7.50%	3.40%
Small cap domestic equity	2.50%	3.40%
Developed international equity	22.50%	5.60%
Core fixed income	20.00%	3.10%
Emerging markets	7.50%	7.50%
Dynamic bonds	10.00%	3.90%
Real estate	5.00%	4.40%
Total/weighted average	100.00%	4.38%
Long-term inflation expectation		2.40%
Long-term expected rate of return		6.78%

Annual money-weighted rate of return

	Police
The annual money-weighted rate of return on OPEB plan investments (net of OPEB plan investment expense) was:	13.23%

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

b. Concentrations

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

5. Net OPEB liability (asset)

The components of the net OPEB liability (asset) were measured as of the date indicated and were as follows:

	Police	Education
Total OPEB liability	$ 3,088,847	$ 7,603,599
Plan fiduciary net position	3,295,040	-
Net OPEB liability (asset)	$ (206,193)	$ 7,603,599
Plan fiduciary net position as a percentage of the total OPEB liability	106.68%	0.00%

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

6. Actuarial methods and significant assumptions

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

	Police	Education
Valuation date	July 1, 2024	July 1, 2024
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	6.50%	5.20%
Healthcare cost trend rate		
Initial	7.00%	7.00%
Ultimate	4.40%	4.40%
Compensation increases	3.40%	3.40%
Inflation	2.40%	2.40%
Mortality rates	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables projected to the valuation date with Scale MP-2021.	Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (Below Median for Non-Certified) projected to the valuation date with Scale MP-2021.

The investment rate of return for the Board of Education plan was based on the Bond Buyer GO 20-Bond municipal index as of the measurement date.

7. Changes from prior year

a. Changes in assumptions

The healthcare initial cost trend rate for both plans increased to 7.00% (from 6.50%) reducing by 0.20% each year to an ultimate rate of 4.40% per year for 2037 and later.

The interest rate for the Education plan increased to 5.20% from 3.93%.

b. Changes in benefit terms

There were no changes in benefit terms.

8. Discount rate

The discount rate used to measure the total OPEB liability was:

	Police	Education
Discount rate	6.50%	5.20%

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

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 Police 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. Since the Board of Education OPEB Plan is not funded, the municipal bond index is used for the discount rate.

9. Changes in the net OPEB liability (asset)

The Town's OPEB liabilities were measured at June 30, 2025 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated as noted below:

Valuation Date: July 1, 2024	Increase (Decrease)		
Police	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balance at July 1, 2024	$ 2,766,183	$2,717,669	$ 48,514
Service cost	168,548	-	168,548
Interest	188,554	-	188,554
Differences between expected and actual experience	(209,691)	-	(209,691)
Changes in assumptions	244,150	-	244,150
Contributions - employer	-	173,332	(173,332)
Contributions - member	-	110,471	(110,471)
Net investment income	-	365,790	(365,790)
Benefit payments, including refunds of member contributions	(68,897)	(68,897)	-
Adminstrative expenses	-	(3,325)	3,325
Net change	322,664	577,371	(254,707)
Balance at June 30, 2025	$ 3,088,847	$3,295,040	$ (206,193)

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

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

Valuation Date: July 1, 2024 Education	Total OPEB Liability
Balance at July 1, 2024	$ 8,666,465
Service cost	253,971
Interest	344,427
Differences between expected and actual experience	(776,343)
Changes in assumptions	(569,106)
Benefit payments, including refunds of member contributions	(315,815)
Net change	(1,062,866)
Balance at June 30, 2025	$ 7,603,599

10. Sensitivity of the OPEB liability (asset) to changes in the discount rate

The following presents the OPEB liability (asset), as well as what the OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Plan	Discount Rate	1% Decrease	Discount Rate	1% Increase
Police (net)	6.50%	$ 117,539	$ (206,193)	$ (497,726)
Education (total)	5.20%	$ 8,345,571	$ 7,603,599	$ 6,955,038

11. Sensitivity of the OPEB liability (asset) to changes in the healthcare cost trend rate

The following presents the OPEB liability (asset), as well as what the OPEB liability (asset) would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rates:

Plan	Trend Rate	1% Decrease	Current Trend Rate	1% Increase
Police (net)	7.00% - 4.40%	$ (622,758)	$ (206,193)	$ 289,964
Education (total)	7.00% - 4.40%	$ 7,162,288	$ 7,603,599	$ 8,116,616

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

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

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

Police Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	$ 37,088	$ 1,125,932	$ (1,088,844)
Changes in assumptions	405,063	95,904	309,159
Net difference between projected and actual earnings on OPEB plan investments	-	152,424	(152,424)
Total	$ 442,151	$ 1,374,260	$ (932,109)

OPEB Expense	
The plan recognized OPEB expense of:	$ (80,433)

Education Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	$ 578,452	$ 4,819,359	$ (4,240,907)
Changes in assumptions	1,371,205	2,283,347	(912,142)
Total	$ 1,949,657	$ 7,102,706	$ (5,153,049)

OPEB Expense	
The plan recognized OPEB expense of:	$ (4,781)

Actual investment earnings below (or above) projected earnings are amortized over 5 years for both plans. Experience losses (gains) and changes in assumptions are amortized over the average remaining service period of actives and inactive, which were as follows:

Plan	Years
Police	15.0
Education	11.8

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

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

Year Ending June 30,	Police	Education
2026	$ (68,807)	$ (512,815)
2027	(148,911)	(512,815)
2028	(142,655)	(512,815)
2029	(117,987)	(512,815)
2030	(81,484)	(507,553)
Thereafter	(372,265)	(2,594,236)
Total	$ (932,109)	$ (5,153,049)

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

1. Plan description

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

2. Benefit provisions

The Plan provides for retiree health insurance benefits to retired teachers and administrators of public schools. Eligibility is as follows:

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Early retirement	25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service
Service connected disability service requirement	No service requirement
Non-service connected disability service requirement	5 years of credited service
Vesting - service	10 years of service

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

Retiree health care coverage

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of health care benefits offered. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer.

The subsidy amounts are set by State statutes as follows:

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

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

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

3. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State pays for 1/3 of plan costs through an annual appropriation in the General Fund.

Employer (school districts)

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

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

Employees/retirees

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

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

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

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

Town's proportionate share of the collective net OPEB liability	$ -
State's proportionate share of the collective net OPEB liability associated with the Town	22,814,369
Total	$ 22,814,369
The plan recognized OPEB expense and revenue for on-behalf amounts for contributions to the plan by the State of:	$ 153,484

The collective net OPEB liability was measured as of June 30, 2024, and the collective total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2024.

5. Actuarial assumptions

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

Valuation date	June 30, 2024
Investment rate of return	3.75%
Discount rate	3.93%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2031
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019
Year fund net position will be depleted	2027

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

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

Changes in assumptions and inputs

The changes in assumptions were as follows:

Assumption	From	To
Discount rate	3.64%	3.93%

- Additionally, expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on January 1, 2019.

Long-term expected rate of return

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

All the plan assets are assumed to be invested in cash equivalents (treasuries). As of June 30, 2024, the expected 10-year geometric rate of return is 1.26% and the long-term real rate of return was 3.75%.

6. Discount rate

The discount rate used to measure the collective total OPEB liability was the Municipal Bond Index rate of 3.93%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that annual State contributions will equal the most recent 5-year average of state contributions.

7. Sensitivity of the collective net OPEB liability to changes in the discount rate and the health care cost trend rate

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

8. Plan fiduciary net position

The net pension liability and proportional share of pension expense presented in this report have been determined based on Connecticut State Teachers Retiree Health Insurance Plan's fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2024, which was audited by the State of Connecticut Auditors of Public Accounts and is included in the State of Connecticut's ACFR as a OPEB trust fund.

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

G. Total other post-employment benefit ("OPEB") plans

	Net OPEB Asset	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Police	$ 206,193	$ -	$ 442,151	$ 1,374,260	$ (80,433)
Education	-	7,603,599	1,949,657	7,102,706	(4,781)
Total	$ 206,193	$ 7,603,599	$ 2,391,808	$ 8,476,966	$ (85,214)

H. Plan statements

Combining Statement of Fiduciary Net Position
Pension and OPEB Trust Funds
June 30, 2025

	Retirement Income Plan			
	Town	Education	Police Other Post-Retirement Benefits	Total Pension and OPEB Trust Funds
Assets				
Investments:				
Mutual funds:				
Money market	$ 354,137	$ 438,524	$ 166,893	$ 959,554
Equity	10,519,164	11,216,171	2,065,436	23,800,771
Bond	4,801,151	5,088,288	918,285	10,807,724
Real estate	-	-	144,426	144,426
Diversified	721,289	773,303	-	1,494,592
Total investments	16,395,741	17,516,286	3,295,040	37,207,067
Net Position				
Restricted for:				
Pensions	16,395,741	17,516,286	-	33,912,027
OPEB	-	-	3,295,040	3,295,040
Total net position	$ 16,395,741	$ 17,516,286	$ 3,295,040	$ 37,207,067

Town of Monroe, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2025

H. Plan statements (continued)

Combining Statement of Changes in Fiduciary Net Position
Pension and OPEB Trust Funds
For the Year Ended June 30, 2025

	Retirement Income Plan			
	Town	Education	Police Other Post-Retirement Benefits	Total Pension and OPEB Trust Funds
Additions:				
Contributions:				
Employer	$ 198,865	$ 278,450	$ 173,332	$ 650,647
Employee	82,472	209,264	110,471	402,207
Total contributions	281,337	487,714	283,803	1,052,854
Investment income (loss):				
Net change in fair value of investments	1,422,628	1,495,077	289,383	3,207,088
Interest and dividends	357,242	377,591	85,156	819,989
Total investment income (loss)	1,779,870	1,872,668	374,539	4,027,077
Less investment expense	-	22,429	8,749	31,178
Net investment income (loss)	1,779,870	1,850,239	365,790	3,995,899
Total additions	2,061,207	2,337,953	649,593	5,048,753
Deductions:				
Benefits	1,026,021	911,454	68,897	2,006,372
Administration	43,248	23,285	3,325	69,858
Total deductions	1,069,269	934,739	72,222	2,076,230
Change in net position	991,938	1,403,214	577,371	2,972,523
Net position - July 1, 2024	15,403,803	16,113,072	2,717,669	34,234,544
Net position - June 30, 2025	$ 16,395,741	$ 17,516,286	$ 3,295,040	$ 37,207,067

VI. Recently issued GASB pronouncements

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104, "*Disclosure of Certain Capital Assets"***,** requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Governments must separately present lease assets, right-to-use assets from public-private or public-public partnerships, subscription assets and all other intangible assets by major class. For capital assets held for sale (assets a government has decided to sell with completion of the sale probable within one year of the financial statement date) governments must disclose the historical cost, accumulated depreciation (or amortization), and the carrying amount of any pledged debt related to those assets. This Statement affects only presentation and disclosure of capital assets, not recognition or measurement requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Town believes will most impact its financial statements. The Town will evaluate the impact of this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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Required Supplementary Information

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

Town of Monroe, Connecticut

Required Supplementary Information

General Fund
Schedule of Revenues, Other Financing Sources, Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2025

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Revenues					
Property taxes:					
Tax levies	$ 89,424,741	$ -	$ 89,424,741	$ 89,991,294	$ 566,553
Interest and lien fees	277,500	-	277,500	400,099	122,599
Telephone access	25,000	-	25,000	34,077	9,077
Total property taxes	89,727,241	-	89,727,241	90,425,470	698,229
Intergovernmental:					
State education grants:					
Education cost sharing	5,272,935	-	5,272,935	5,251,989	(20,946)
Other:					
Motor vehicle property tax grant	1,400,338	-	1,400,338	1,400,338	-
Tax grant - disabled persons	2,000	-	2,000	2,270	270
PILOT - state property	11,442	-	11,442	11,442	-
Veteran exemption	8,300	-	8,300	6,265	(2,035)
Supplemental revenue sharing	443,723	-	443,723	443,723	-
FEMA	-	414,548	414,548	414,548	-
Miscellaneous grants	9,800	-	9,800	19,553	9,753
Total intergovernmental	7,148,538	414,548	7,563,086	7,550,128	(12,958)
Charges for services:					
Police department permits	17,000	-	17,000	17,884	884
Building permits	500,000	-	500,000	539,532	39,532
Burning permits	6,000	-	6,000	6,370	370
Planning and zoning	38,500	-	38,500	26,221	(12,279)
Library	3,000	-	3,000	6,097	3,097
Refuse permits	2,000	-	2,000	-	(2,000)
Canine licenses	500	-	500	715	215
Town clerk's fees	550,500	-	550,500	497,248	(53,252)
Health department licenses	83,415	-	83,415	90,334	6,919
EMS revenue	666,000	-	666,000	802,231	136,231
Recreation department fees	190,500	-	190,500	191,618	1,118
Landfill lease	64,000	-	64,000	84,908	20,908
Nutrition	2,000	-	2,000	1,551	(449)
Tuition	9,000	-	9,000	18,000	9,000
Inland wetland commission	6,500	-	6,500	7,535	1,035
Total charges for services	2,138,915	-	2,138,915	2,290,244	151,329
Income from investments	2,500,000	-	2,500,000	2,980,262	480,262
Other	95,000	-	95,000	39,837	(55,163)
Total revenues	101,609,694	414,548	102,024,242	103,285,941	1,261,699
Other financing sources:					
Appropriation of fund balance	2,500,000	-	2,500,000	-	(2,500,000)
Transfers in	471,736	-	471,736	740,297	268,561
Total other financing sources	2,971,736	-	2,971,736	740,297	(2,231,439)
Total revenues and other financing sources	104,581,430	414,548	104,995,978	104,026,238	(969,740)

(Continued)

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Required Supplementary Information

General Fund
Schedule of Revenues, Other Financing Sources, Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2025

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Expenditures					
General government:					
First selectman	$ 222,047	$ 25,531	$ 247,578	$ 247,181	$ 397
Town attorney	280,500	-	280,500	259,491	21,009
Town council	4,700	-	4,700	911	3,789
Board of finance	452,525	(125,000)	327,525	51,035	276,490
Registrar of voters	175,440	-	175,440	156,724	18,716
Town clerk	196,809	5,619	202,428	188,696	13,732
Tax collector	218,623	-	218,623	211,274	7,349
Town treasurer	13,515	-	13,515	12,365	1,150
Boards and commissions	13,070	-	13,070	6,223	6,847
Senior citizen	319,661	-	319,661	297,442	22,219
Economic development	146,000	(5,771)	140,229	139,600	629
Human resources - fringe benefits	5,898,519	(407,354)	5,491,165	5,161,938	329,227
Finance department	358,207	17,076	375,283	341,937	33,346
Technology	759,561	-	759,561	731,164	28,397
Assessor	267,992	21,469	289,461	271,894	17,567
Building inspection department	223,327	-	223,327	219,511	3,816
Planning and zoning department	302,158	76,521	378,679	378,678	1
Town hall maintenance	581,595	-	581,595	549,243	32,352
Community center site	-	125,000	125,000	112,577	12,423
Special programs	166,536	3,366	169,902	169,901	1
Regional programs	58,052	-	58,052	56,777	1,275
Total general government	10,658,837	(263,544)	10,395,293	9,564,562	830,731
Public safety:					
Police department	463,562	23,904	487,466	471,455	16,011
Police personnel	6,048,190	79,454	6,127,644	5,898,693	228,951
Police operations	508,261	-	508,261	500,051	8,210
Animal control	136,823	-	136,823	100,122	36,701
Monroe fire department	305,279	-	305,279	298,664	6,615
Stevenson fire department	227,643	-	227,643	225,565	2,078
Stepney fire department	304,693	-	304,693	301,746	2,947
Water distribution system	676,586	-	676,586	594,876	81,710
Fire marshal	121,572	-	121,572	110,479	11,093
Emergency management	26,475	294	26,769	26,769	-
Emergency medical services	1,095,035	20,310	1,115,345	1,115,345	-
Total public safety	9,914,119	123,962	10,038,081	9,643,765	394,316
Public works:					
Public works administration	482,579	4,000	486,579	485,643	936
Highway administration	1,690,438	101,486	1,791,924	1,761,122	30,802
Snow removal	477,720	-	477,720	403,451	74,269
Road and building	1,671,130	-	1,671,130	986,613	684,517
Sanitation - solid waste	41,746	-	41,746	11,856	29,890
Sanitation - recycling	522,155	-	522,155	400,190	121,965
Total public works	4,885,768	105,486	4,991,254	4,048,875	942,379
Health and welfare:					
Health department	346,600	3,400	350,000	336,649	13,351
Department of social services	95,892	19,695	115,587	105,999	9,588
Total health and welfare	442,492	23,095	465,587	442,648	22,939

(Continued)

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Required Supplementary Information

General Fund
Schedule of Revenues, Other Financing Sources, Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2025

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Culture and recreation:					
Library	$ 959,097	$ 5,500	$ 964,597	$ 931,294	$ 33,303
Recreation department	615,547	5,500	621,047	584,289	36,758
Total culture and recreation	1,574,644	11,000	1,585,644	1,515,583	70,061
Debt service	5,164,725	-	5,164,725	5,156,397	8,328
Education	71,464,259	-	71,464,259	71,252,517	211,742
Total expenditures	104,104,844	-	104,104,844	101,624,347	2,480,497
Other financing uses:					
Transfers out	476,586	414,548	891,134	2,133,134	(1,242,000)
Total expenditures and other financing uses	104,581,430	414,548	104,995,978	103,757,481	1,238,497
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	$ -	$ -	$ -	$ 268,757	$ 268,757

(Concluded)

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information
For the Year Ended June 30, 2025

Budgets and Budgetary Accounting

Only the General Fund has a legally adopted annual budget.

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. The operating budget, which is prepared by function and department, includes proposed expenditures and the means of financing them.

The Town uses the budgetary basis of accounting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in the budgetary statements included as required supplementary information.

This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions:

1. The Town does not budget for as revenue or expenditures payments made for the State Teachers' pension and OPEB by the State of Connecticut on the Town's behalf.
2. Certain funds that are required to be reported as part of the General Fund under the requirement of GASB No. 54.
3. Adjustments for lease revenues under the requirement of GASB No. 87.
4. Encumbrances are reported as expenditures for the budgetary basis of accounting.

Reconciliation to Exhibit D	Revenues	Expenditures
Budgetary Basis - RSI 1	$ 103,285,941	$ 101,624,347
Current year encumbrances charged to budgetary expenditures	-	(74,232)
Prior year encumbrances liquidated in the current year	-	181,733
State Teachers' Pension on behalf amount	10,962,441	10,962,441
State Teachers' OPEB on behalf amount	153,484	153,484
Other funds	-	312,518
Lease revenue	110,856	-
GAAP Basis - Exhibit D	$ 114,512,722	$ 113,160,291

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

(Continued)

Town of Monroe, Connecticut

Notes to Required Supplementary Information
For the Year Ended June 30, 2025

Budgets and Budgetary Accounting

The First Selectman prepares the final proposed budget and submits it to the annual budget referendum, which is held on the first Tuesday in April of each year. After the budget is approved at referendum, the Board of Finance meets to levy a tax on the grand list which will be sufficient to cover, together with other income or revenue surplus which is appropriated, the amounts appropriated and any revenue deficit of the Town.

When an office, agency, board or commission, except for the Board of Education, needs to transfer funds in its appropriation from funds set apart for one specific purpose or another, the First Selectman makes the proposal to the Town Council who then may approve the transfer.

Upon request from the First Selectman, the Board of Finance may transfer any unencumbered appropriation, balance or portion thereof from one office, agency, board or commission to another after the First Selectman has notified the affected office or agency, board or commission. No transfers are to be made from any appropriations for debt service or other statutory charges.

The Board of Education is authorized under state law to make any transfers required within their budget at their discretion. Additionally, as required by the Charter, these transfers must be reported to the Board of Selectmen. Any additional appropriations must have Board of Education and Board of Selectmen approval and, if over one-half of one percent of the annual budget, Town Meeting approval.

The Board of Finance allows additional appropriations not to exceed one half of one mil of the grand list to cover unexpected conditions and requirements. The transfers shall be approved by the First Selectman, Town Council and the Board of Finance.

During the year there were additional appropriations from revenue of $414,548.

The transfers out appropriation was over expended by $1,242,000. The transfers out were approved by the Town Council and Board of Finance from the current year budget surplus.

(Concluded)

Town of Monroe, Connecticut

Required Supplementary Information

Town Retirement Income Plan
Last Ten Years

Schedule of Changes in Net Pension Liability and Related Ratios

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability:										
Service cost	$ 238,230	$ 232,646	$ 315,348	$ 307,957	$ 323,429	$ 316,466	$ 347,759	$ 339,442	$ 320,580	$ 279,200
Interest	1,021,930	1,004,822	1,023,775	987,990	942,320	898,005	879,883	835,744	933,432	880,508
Differences between expected and actual experience	(164,115)	-	(662,507)	-	(396,261)	-	(250,060)	-	(108,021)	32,827
Changes in assumptions	-	-	33,937	-	446,756	-	(134,918)	-	(687,325)	-
Benefit payments, including refunds of member contributions	(1,026,021)	(954,318)	(864,435)	(684,875)	(565,455)	(564,406)	(522,047)	(536,908)	(545,744)	(511,431)
Net change in total pension liability	70,024	283,150	(153,882)	611,072	750,789	650,065	320,617	638,278	(87,078)	681,104
Total pension liability - July 1	15,406,112	15,122,962	15,276,844	14,665,772	13,914,983	13,264,918	12,944,301	12,306,023	12,393,101	11,711,997
Total pension liability - June 30 (a)	$ 15,476,136	$ 15,406,112	$ 15,122,962	$ 15,276,844	$ 14,665,772	$ 13,914,983	$ 13,264,918	$ 12,944,301	$ 12,306,023	$ 12,393,101
Plan fiduciary net position:										
Contributions - employer	$ 198,865	$ 194,747	$ 324,501	$ 285,000	$ 297,075	$ 291,581	$ 360,192	$ 355,000	$ 390,000	$ 383,000
Contributions - member	82,472	77,055	82,255	117,726	134,982	147,083	143,319	142,277	144,665	145,302
Net investment income (loss)	1,779,870	1,856,391	1,407,886	(2,133,616)	3,508,816	(50,772)	669,078	782,543	1,100,157	43,338
Benefit payments, including refunds of member contributions	(1,026,021)	(954,318)	(864,435)	(684,875)	(565,455)	(564,406)	(522,047)	(536,908)	(545,744)	(511,431)
Administration	(43,248)	(50,455)	(35,675)	(18,229)	(23,376)	(25,110)	(29,636)	(37,605)	(6,323)	(22,358)
Net change in plan fiduciary net position	991,938	1,123,420	914,532	(2,433,994)	3,352,042	(201,624)	620,906	705,307	1,082,755	37,851
Plan fiduciary net position - July 1	15,403,803	14,280,383	13,365,851	15,799,845	12,447,803	12,649,427	12,028,521	11,323,214	10,240,459	10,202,608
Plan fiduciary net position - June 30 (b)	$ 16,395,741	$ 15,403,803	$ 14,280,383	$ 13,365,851	$ 15,799,845	$ 12,447,803	$ 12,649,427	$ 12,028,521	$ 11,323,214	$ 10,240,459
Net pension liability (asset) - June 30 (a)-(b)	$ (919,605)	$ 2,309	$ 842,579	$ 1,910,993	$ (1,134,073)	$ 1,467,180	$ 615,491	$ 915,780	$ 982,809	$ 2,152,642
Plan fiduciary net position as a percentage of the total pension liability	105.94%	99.99%	94.43%	87.49%	107.73%	89.46%	95.36%	92.93%	92.01%	82.63%
Covered payroll	$ 2,082,312	$ 2,806,707	$ 2,714,416	$ 3,880,382	$ 3,752,787	$ 3,959,755	$ 3,816,631	$ 3,854,118	$ 3,714,813	$ 3,576,586
Net pension liability (asset) as a percentage of covered payroll	(44.16%)	0.08%	31.04%	49.25%	(30.22%)	37.05%	16.13%	23.76%	26.46%	60.19%

Schedule of Investment Returns

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money weighted rate of return, net of investment expense	11.74%	13.18%	10.77%	(13.70%)	28.45%	(0.40%)	5.59%	6.81%	10.93%	0.43%

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Required Supplementary Information

Town Retirement Income Plan
Schedule of Contributions
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contributions	$ 198,865	$ 194,747	$ 308,941	$ 303,927	$ 297,075	$ 291,581	$ 360,192	$ 354,017	$ 389,752	$ 382,281
Contributions in relation to the actuarially determined contribution	198,865	194,747	324,501	285,000	297,075	291,581	360,192	355,000	390,000	383,000
Contribution excess (deficiency)	$ -	$ -	$ 15,560	$ (18,927)	$ -	$ -	$ -	$ 983	$ 248	$ 719
Covered payroll	$ 2,082,312	$ 2,806,707	$ 2,714,416	$ 3,880,382	$ 3,752,787	$ 3,959,755	$ 3,816,631	$ 3,854,118	$ 3,714,813	$ 3,576,586
Contributions as a percentage of covered payroll	9.55%	6.94%	11.95%	7.34%	7.92%	7.36%	9.44%	9.21%	10.50%	10.71%

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information

Town Retirement Income Plan
Schedule of Contributions
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2018	July 1, 2016	July 1, 2016	July 1, 2014	July 1, 2014

Actuarial methods and assumptions used to determine contribution rates:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.40%	2.40%	2.40%	2.40%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Salary increases	3.40%	3.40%	3.40%	3.40%	3.75%	3.75%	3.75%	3.75%	4.00%	4.00%
Investment rate of return (net)	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	7.50%	7.50%
Mortality rate	Pub-2010 projected to valuation date with scale MP-2021	Pub-2010 projected to valuation date with scale MP-2021	Pub-2010 projected to valuation date with scale MP-2020	Pub-2010 projected to valuation date with scale MP-2020	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 total dataset mortality table projected valuation date with scale MP-2016	RP-2014 adjusted to 2006 total dataset mortality table projected valuation date with scale MP-2016	RP-2000 Mortality with no collar adjustment projected to valuation date with Scale MP-2014	RP-2000 Mortality with no collar adjustment projected to valuation date with Scale MP-2014

RSI-3A

Town of Monroe, Connecticut

Required Supplementary Information

Education Retirement Income Plan
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Schedule of Changes in Net Pension Liability and Related Ratios										
Total pension liability:										
Service cost	$ 406,859	$ 397,323	$ 406,035	$ 396,518	$ 431,312	$ 422,026	$ 390,732	$ 381,387	$ 423,345	$ 397,551
Interest	1,116,718	1,073,697	1,066,357	1,021,101	1,004,480	957,653	933,269	889,277	998,818	943,960
Differences between expected and actual experience	(384,518)	-	(634,588)	-	48,220	-	(206,638)	-	(133,712)	12,337
Changes in assumptions	-	-	38,891	-	(456,361)	-	(139,041)	-	(744,769)	-
Benefit payments, including refunds of member contributions	(911,454)	(777,144)	(741,950)	(770,895)	(723,124)	(668,242)	(629,157)	(627,400)	(660,562)	(636,276)
Net change in total pension liability	227,605	693,876	134,745	646,724	304,527	711,437	349,165	643,264	(116,880)	717,572
Total pension liability - July 1	16,585,397	15,891,521	15,756,776	15,110,052	14,805,525	14,094,088	13,744,923	13,101,659	13,218,539	12,500,967
Total pension liability - June 30 (a)	$ 16,813,002	$ 16,585,397	$ 15,891,521	$ 15,756,776	$ 15,110,052	$ 14,805,525	$14,094,088	$13,744,923	$13,101,659	$13,218,539
Plan fiduciary net position:										
Contributions - employer	$ 278,450	$ 273,053	$ 375,864	$ 375,000	$ 345,033	$ 339,015	$ 356,474	$ 350,342	$ 385,429	$ 367,541
Contributions - member	209,264	215,997	221,144	222,876	211,981	216,407	218,017	218,797	209,551	204,700
Net investment income (loss)	1,850,239	1,902,406	1,421,706	(2,099,675)	3,414,140	(107,020)	642,730	769,615	1,105,691	38,494
Benefit payments, including refunds of member contributions	(911,454)	(777,144)	(741,950)	(770,895)	(723,124)	(668,242)	(629,157)	(627,400)	(660,562)	(636,276)
Administration	(23,285)	(22,646)	(32,434)	(22,397)	(24,420)	(16,080)	(40,139)	(33,816)	(9,746)	(16,620)
Other	-	-	-	-	-	-	47,357	-	-	-
Net change in plan fiduciary net position	1,403,214	1,591,666	1,244,330	(2,295,091)	3,223,610	(235,920)	595,282	677,538	1,030,363	(42,161)
Plan fiduciary net position - July 1	16,113,072	14,521,406	13,277,076	15,572,167	12,348,557	12,584,477	11,989,195	11,311,657	10,281,294	10,323,455
Plan fiduciary net position - June 30 (b)	$ 17,516,286	$ 16,113,072	$ 14,521,406	$ 13,277,076	$ 15,572,167	$ 12,348,557	$12,584,477	$11,989,195	$11,311,657	$10,281,294
Net pension liability (asset) - June 30 (a)-(b)	$ (703,284)	$ 472,325	$ 1,370,115	$ 2,479,700	$ (462,115)	$ 2,456,968	$ 1,509,611	$ 1,755,728	$ 1,790,002	$ 2,937,245
Plan fiduciary net position as a percentage of the total pension liability	104.18%	97.15%	91.38%	84.26%	103.06%	83.41%	89.29%	87.23%	86.34%	77.78%
Covered payroll	$ 4,576,907	$ 4,755,287	$ 4,598,924	$ 4,717,114	$ 4,562,006	$ 4,938,953	$ 4,760,437	$ 4,170,830	$ 4,020,077	$ 4,435,017
Net collective pension liability (asset) as a percentage of covered payroll	(15.37%)	9.93%	29.79%	52.57%	(10.13%)	49.75%	31.71%	42.10%	44.53%	66.23%
Schedule of Investment Returns										
Annual money weighted rate of return, net of investment expense	11.72%	13.33%	10.92%	(13.70%)	28.32%	(0.87%)	5.86%	6.74%	10.91%	0.38%

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Required Supplementary Information

Education Retirement Income Plan
Schedule of Contributions
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contributions	$ 278,449	$ 273,053	$ 375,864	$ 370,572	$ 345,033	$ 339,015	$ 356,475	$ 350,452	$ 385,429	$ 376,663
Contributions in relation to the actuarially determined contribution	278,450	273,053	375,864	375,000	345,033	339,015	356,474	350,342	385,429	367,541
Contribution excess (deficiency)	$ 1	$ -	$ -	$ 4,428	$ -	$ -	$ (1)	$ (110)	$ -	$ (9,122)
Covered payroll	$ 4,576,907	$ 4,755,287	$ 4,598,924	$ 4,717,114	$ 4,562,006	$ 4,938,953	$ 4,760,437	$ 4,170,830	$ 4,020,077	$ 4,435,017
Contributions as a percentage of covered payroll	6.08%	5.74%	8.17%	7.95%	7.56%	6.86%	7.49%	8.40%	9.59%	8.29%

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information

Education Retirement Income Plan
Schedule of Contributions
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2018	July 1, 2016	July 1, 2016	July 1, 2014	July 1, 2014

Actuarial methods and assumptions used to determine contribution rates:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.40%	2.40%	2.40%	2.40%	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%
Salary increases	3.40%	3.40%	3.40%	3.40%	3.75%	3.75%	3.75%	3.75%	4.00%	4.00%
Investment rate of return (net)	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	7.50%	7.50%
Mortality rate	Pub-2010 projected to valuation date with scale MP-2021	Pub-2010 projected to valuation date with scale MP-2021	Pub-2010 projected to valuation date with scale MP-2020	Pub-2010 projected to valuation date with scale MP-2020	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2016	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2016	RP-2000 Mortality with no collar adjustments projected to valuation date with Scale MP-2014	RP-2000 Mortality with no collar adjustments projected to valuation date with Scale MP-2014

RSI-4A

Town of Monroe, Connecticut

Required Supplementary Information

Connecticut Municipal Employees' Retirement System
Police Officers and Firefighters With Social Security Sub Plan
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Schedule of Proportionate Share of the Collective Net Pension Liability										
Town's proportion of the collective net pension liability	8.833593%	9.203718%	8.648825%	8.053424%	7.829227%	8.825715%	7.988970%	8.332825%	8.332825%	8.754860%
Town's proportionate share of the collective net pension liability	$ 9,726,645	$ 10,583,726	$ 8,997,494	$ 4,058,872	$ 6,460,938	$ 6,430,746	$ 5,427,638	$ 3,331,755	$ 3,895,673	$ 2,678,744
Town's covered payroll	$ 5,121,656	$ 4,932,646	$ 4,512,719	$ 3,763,367	$ 3,482,952	$ 3,919,896	$ 4,525,278	$ 3,858,797	$ 3,858,797	$ 3,507,399
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	189.91%	214.56%	199.38%	107.85%	185.50%	164.05%	119.94%	86.34%	100.96%	76.37%
Total plan fiduciary net position as a percentage of the collective total pension liability	72.85%	69.54%	68.71%	82.59%	71.18%	72.69%	73.60%	91.68%	88.29%	92.75%
Schedule of Contributions										
Contractually required contribution	$ 1,114,489	$ 918,358	$ 843,884	$ 837,808	$ 694,827	$ 809,775	$ 706,224	$ 645,577	$ 645,577	$ 633,992
Contributions in relation to the contractually required contribution	1,114,489	918,358	843,884	837,808	694,827	809,775	706,224	645,577	645,577	633,992
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 4,624,436	$ 4,228,168	$ 3,651,597	$ 3,731,884	$ 3,316,597	$ 4,059,023	$ 4,122,732	$ 3,768,692	$ 3,858,799	$ 3,789,552
Contributions as a percentage of covered payroll	24.10%	21.72%	23.11%	22.45%	20.95%	19.95%	17.13%	17.13%	16.73%	16.73%

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014

Actuarial methods and assumptions used to determine contribution rates:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed
Remaining amortization period	23.4-23.5 years	18 years	18 years	19 years	19 years	21 years	21 years	23 years	23 years	25 years
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.25%	3.25%	3.25%
Salary increases	3.50%-9.50%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	3.50%-10.00%, average, including inflation	4.25%-11.00%, average, including inflation	4.25%-11.00%, average, including inflation	4.25%-11.00%, average, including inflation
Cost-of-living adjustments	After January 1, 2002, 2.55% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards	After January 1, 2002, 2.50% minimum Prior to January 1, 2002, 2.50% up to age 65. 3.25% afterwards
Social security wage base	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Investment rate of return (net)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	8.00%	8.00%	8.00%
Mortality rate	The Pub-2010 Mortality Tables for health retiree, disabled retiree, contingent annuitant and active employee set-forward one year (except active employees) and projected generationally with scale MP-2021.	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	General Employees: RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB Police and Fire: RP-2014 Blue Collar Mortality Table adjusted to 2006 projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries	RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries

Town of Monroe, Connecticut

Required Supplementary Information

Connecticut State Teachers' Retirement System
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Schedule of Proportionate Share of the Collective Net Pension Liability										
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State of Connecticut's proportionate share of the collective net pension liability associated with the Town	111,216,702	119,055,317	125,208,335	102,307,293	129,174,493	114,804,732	88,521,118	94,485,584	99,683,015	76,967,634
Total	$ 111,216,702	$ 119,055,317	$ 125,208,335	$ 102,307,293	$ 129,174,493	$ 114,804,732	$ 88,521,118	$ 94,485,584	$ 99,683,015	$ 76,967,634
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the collective total pension	62.68%	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%
Schedule of Contributions										
Contractually required contribution (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

(2) Not applicable since 0% proportional share of the collective net pension liability.

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information

Connecticut State Teachers' Retirement System
Schedule of Contributions
Last Ten Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Changes of benefit terms	Restoration of 25% wear down of benefits of Plan N to vested members as of June 30, 2019	None	None	None	None	None	Beginning January 1, 2018, member contributions increased from 6.00% to 7.00% of salary	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014	June 30, 2012

Actuarial methods and assumptions used to determine contribution rates:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining amortization period (equivalent single period)	25.9 years	26.8 years	27.8 years	28.8 years	29.8 years	30 years	30 years	20.4 years	21.4 years	22.4 years
Asset valuation method	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%
Salary increases	3.00%-6.50%, average, including inflation	3.00%-6.50%, average, including inflation	3.00%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Cost-of-living adjustments	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date
Investment rate of return (net)	6.90%	6.90%	6.90%	6.90%	6.90%	8.00%	8.00%	8.50%	8.50%	8.50%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA

Town of Monroe, Connecticut

Required Supplementary Information

Police Other Post-Employment Benefit ("OPEB") Plan
Last Nine Years (1)

Schedule of Changes in Net OPEB Liability and Related Ratios

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability:									
Service cost	$ 168,548	$ 161,444	$ 161,416	$ 154,613	$ 119,809	$ 121,080	$ 141,451	$ 134,375	$ 130,779
Interest	188,554	172,145	202,201	188,411	149,541	145,481	167,658	153,598	138,377
Differences between expected and actual experience	(209,691)	(27,098)	(697,166)	(94,439)	58,158	(144,343)	(394,118)	(35,893)	(11,163)
Changes in assumptions	244,150	-	(77,727)	-	277,870	-	(70,766)	-	-
Benefit payments, including refunds of member contributions	(68,897)	(53,663)	(48,703)	(37,928)	(46,316)	(70,294)	(68,687)	(33,631)	(49,256)
Net change in total OPEB liability	322,664	252,828	(459,979)	210,657	559,062	51,924	(224,462)	218,449	208,737
Total OPEB liability - July 1	2,766,183	2,513,355	2,973,334	2,762,677	2,203,615	2,151,691	2,376,153	2,157,704	1,948,967
Total OPEB liability - June 30 (a)	$ 3,088,847	$ 2,766,183	$ 2,513,355	$ 2,973,334	$ 2,762,677	$ 2,203,615	$ 2,151,691	$ 2,376,153	$ 2,157,704
Plan fiduciary net position:									
Contributions - employer	173,332	155,430	241,617	223,530	181,755	205,258	256,555	223,631	189,896
Contributions - member	110,471	105,991	99,260	88,028	85,924	84,510	83,915	72,824	33,807
Net investment income (loss)	365,790	275,136	158,387	(274,769)	336,106	32,594	49,708	5,332	297
Benefit payments, including refunds of member contributions	(68,897)	(53,663)	(48,703)	(37,928)	(46,316)	(70,294)	(68,687)	(33,631)	(49,256)
Administrative expenses	(3,325)	(1,140)	(12,073)	(3,000)	(9,900)	(2,800)	(12,000)	-	-
Net change in plan fiduciary net position	577,371	481,754	438,488	(4,139)	547,569	249,268	309,491	268,156	174,744
Plan fiduciary net position - July 1	2,717,669	2,235,915	1,797,427	1,801,566	1,253,997	1,004,729	695,238	427,082	252,338
Plan fiduciary net position - June 30 (b)	$ 3,295,040	$ 2,717,669	$ 2,235,915	$ 1,797,427	$ 1,801,566	$ 1,253,997	$ 1,004,729	$ 695,238	$ 427,082
Net OPEB liability (asset) - June 30 (a)-(b)	$ (206,193)	$ 48,514	$ 277,440	$ 1,175,907	$ 961,111	$ 949,618	$ 1,146,962	$ 1,680,915	$ 1,730,622
Plan fiduciary net position as a percentage of the total OPEB liability	106.68%	98.25%	88.96%	60.45%	65.21%	56.91%	46.69%	29.26%	19.79%
Covered payroll	$ 3,985,795	$ 3,505,703	$ 3,390,428	$ 3,306,143	$ 3,197,430	$ 3,518,717	$ 3,399,727	$ 3,377,844	$ 3,287,439
Net OPEB liability (asset) as a percentage of covered payroll	(5.17%)	1.38%	8.18%	35.57%	30.06%	26.99%	33.74%	49.76%	52.64%

Schedule of Investment Returns

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	13.23%	12.01%	8.53%	(14.92%)	40.72%	3.13%	6.81%	1.60%	0.09%

(1) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Required Supplementary Information

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contributions	$ 104,435	$ 101,767	$ 188,225	$ 185,602	$ 135,439	$ 134,964	$ 187,868	$ 186,574	$ 109,498	$ 106,000
Contributions in relation to the actuarially determined contribution	173,332	155,430	241,617	223,530	181,755	205,258	256,555	223,631	189,896	94,479
Contribution excess (deficiency)	$ 68,897	$ 53,663	$ 53,392	$ 37,928	$ 46,316	$ 70,294	$ 68,687	$ 37,057	$ 80,398	$ (11,521)
Covered payroll	$ 3,985,795	$ 3,505,703	$ 3,390,428	$ 3,306,143	$ 3,197,430	$ 3,518,717	$ 3,399,727	$ 3,377,844	$ 3,287,439	$ 3,129,570
Contributions as a percentage of covered payroll	4.35%	4.43%	7.13%	6.76%	5.68%	5.83%	7.55%	6.62%	5.78%	3.02%

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information

Police Other Post Employment Benefits (OPEB) Plan
Schedule of Contributions
Last Nine Years (1)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Changes of benefit terms	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2018	July 1, 2016	July 1, 2016	July 1, 2014
Actuarial methods and assumptions used to determine contribution rates:									
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level dollar
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Inflation rate	2.40%	2.40%	2.40%	2.40%	2.50%	2.50%	2.75%	2.75%	N/A
Salary increases	3.40%	3.40%	3.40%	3.40%	3.50%	3.50%	3.75%	3.75%	N/A
Investment rate of return (net)	6.50%	6.50%	6.50%	6.50%	6.75%	6.75%	6.75%	6.75%	7.00%
Mortality rate	Pub-2010 morality table projected to valuation date with scale MP-2021	Pub-2010 morality table projected to valuation date with scale MP-2021	Pub-2010 morality table projected to valuation date with scale MP-2020	Pub-2010 morality table projected to valuation date with scale MP-2020	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2018	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2016	RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2016	RP-2000 projected to the valuation date with Scale BB

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

N/A - Not Available

Town of Monroe, Connecticut

Required Supplementary Information

Education Other Post-Employment Benefit ("OPEB") Plan
Schedule of Changes in the OPEB Liability and Related Ratios
Last Eight Years (2)

	2025	2024	2023	2022	2021	2020	2019	2018
OPEB liability:								
Service cost	$ 253,971	$ 257,432	$ 333,804	$ 425,330	$ 569,848	$ 425,078	$ 325,702	$ 326,852
Interest	344,427	322,527	469,544	332,636	307,705	414,750	395,786	370,243
Differences between expected and actual experience	(776,343)	(109,539)	(4,946,701)	(315,852)	469,933	(270,621)	742,226	(22,271)
Changes in assumptions	(569,106)	(234,566)	74,318	(2,224,016)	535,184	1,669,901	407,507	(314,406)
Benefit payments, including refunds of member contributions	(315,815)	(294,011)	(270,601)	(255,253)	(267,892)	(284,797)	(475,936)	(472,843)
Net change in total OPEB liability	(1,062,866)	(58,157)	(4,339,636)	(2,037,155)	1,614,778	1,954,311	1,395,285	(112,425)
OPEB liability - July 1	8,666,465	8,724,622	13,064,258	15,101,413	13,486,635	11,532,324	10,137,039	10,249,464
OPEB liability - June 30 (1)	$ 7,603,599	$ 8,666,465	$ 8,724,622	$ 13,064,258	$ 15,101,413	$ 13,486,635	$ 11,532,324	$ 10,137,039
Covered-employee payroll	$ 39,435,693	$ 38,421,256	$ 37,157,888	$ 37,046,988	$ 36,178,699	$ 36,351,008	$ 35,429,832	$ 33,795,006
Total OPEB liability as a percentage of covered-employee payroll	19.28%	22.56%	23.48%	35.26%	41.74%	37.10%	32.55%	30.00%

(1) There are no assets that are being accumulated in a trust that meets the criteria in GASB Statement No. 75 to pay benefits

(2) This schedule is intended to present information for 10 years. Additional years will be presented as they become available.

Town of Monroe, Connecticut

Required Supplementary Information

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

	2025	2024	2023	2022	2021	2020	2019	2018
Schedule of Proportionate Share of the Net OPEB Liability								
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State of Connecticut's proportionate share of the collective net OPEB liability associated with the Town	22,814,369	11,153,848	10,965,378	11,146,192	19,266,380	17,904,446	17,695,969	24,319,519
Total	$22,814,369	$11,153,848	$10,965,378	$11,146,192	$19,266,380	$17,904,446	$17,695,969	$24,319,519
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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%
Schedule of Contributions								
Contractually required contribution (1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

(2) Not applicable since 0% proportional share of the net OPEB liability

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

See Notes to Required Supplementary Information.

Town of Monroe, Connecticut

Notes to Required Supplementary Information

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

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

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

APPENDIX B – FORM OF OPINION OF BOND COUNSEL

September __, 2026

Town of Monroe
7 Fan Hill Road
Monroe, CT 06468

We have acted as Bond Counsel to the Town of Monroe, Connecticut (the "Town") in connection with the issuance by the Town of its $______________ General Obligation Bonds, Issue of 2026 (the "Bonds") dated September __, 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.

The Town has designated the Bonds as "qualified tax exempt obligations" within the meaning of Code Section 265(b)(3) for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

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

MVP/JXG

APPENDIX C – FORM OF CONTINUING DISCLOSURE AGREEMENT

FORM OF CONTINUING DISCLOSURE AGREEMENT

In Connection With The Issuance and Sale of
$__________ General Obligation Bonds, Issue of 2026

This Continuing Disclosure Agreement ("Agreement") is executed and delivered as of September __, 2026, by the Town of Monroe, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of its $______________ General Obligation Bonds, Issue of 2026, dated September __, 2026 (the "Bonds").

Section 1. **<u>Definitions</u>.** 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.

"Business Day" shall mean any day, other than Saturday, Sunday or a federal holiday, and shall consist of the time period from 12:01 a.m. through 12:00 midnight Eastern Time.

"EMMA" means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 13 hereof.

"Final Official Statement" means the official statement of the Issuer dated August __, 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. **<u>Annual Reports</u>.**

(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 (commencing with the information and data for the fiscal year ending June 30, 2026):

(i) Audited financial statements of the Issuer as of and for the year ending on its Fiscal Year End 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. As of the date of this Agreement, the Issuer is required to prepare audited financial statements of its various funds and accounts. If audited financial statements for any Fiscal Year End are not available to be provided to the MSRB through EMMA by the Deadline (as hereinafter defined in Section 3 hereof), the Issuer shall provide to the MSRB through EMMA: i) unaudited financial statements for such Fiscal Year End, and when available; ii) audited financial statements for such Fiscal Year End, as soon as practicable after its receipt thereof.

(ii) To the extent not included in the audited financial statements described in (i) above, financial information and operating data as of and for the year ending on its Fiscal Year End of the following type:

(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 long-term debt through maturity on outstanding long-term bonded indebtedness;

(E) a calculation of the total 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) to the MSRB through EMMA not later than eight months after each Fiscal Year End for which such information is being provided (the "Deadline").

Section 4. **Event Notices.**

(a) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers, or their failure to perform;

(v) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds;

(vi) tender offers;

(vii) bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer;

(viii) Bond defeasances;

(ix) rating changes; and

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation* of the Town, 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, <u>if material</u>:

(i) non-payment related defaults;

(ii) modifications to rights of Bond holders;

(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 Town or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation* of the Town, any of which affect bondholders.

* *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. **<u>Notice of Failure</u>.** 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. **<u>Termination of Reporting Obligation</u>.** 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. **<u>Agent</u>.** 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. **<u>Amendment; Waiver</u>.** Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

Section 9. **<u>Additional Information</u>.** 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. **<u>Enforceability</u>.** 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 Town of Monroe, 7 Fan Hill Road, Monroe, CT 06468, Attn: First Selectman. 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 11. **<u>Governing Law.</u>** This Agreement shall be governed by the laws of the State of Connecticut.

Section 12. **<u>Method of Filing</u>**. 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 MONROE

By: ________________________________
Terrence P. Rooney
First Selectman

By: ________________________________
Ronald J. Bunovsky, Jr.
Director of Finance

APPENDIX D – NOTICE OF SALE

NOTICE OF SALE

TOWN OF MONROE, CONNECTICUT
$5,855,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026
(BANK QUALIFIED)
BOOK-ENTRY-ONLY

NOTICE IS GIVEN that ELECTRONIC BIDS ***solely*** via ***PARITY*** ® will be received by the TOWN OF MONROE, CONNECTICUT (the "Issuer"), until 11:30 A.M. (E.T.) on WEDNESDAY,

AUGUST 26, 2026

(the "Sale Date") for the purchase, when issued, of all (but not less than all) of the Issuer's $5,855,000 General Obligation Bonds, Issue of 2026, dated September 9, 2026 (the "Bonds"), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on September 1 in the principal amounts and in each of the years as follows:

Maturity	Amount ($)	Maturity	Amount ($)
2027	590,000	2032	585,000
2028	585,000	2033	585,000
2029	585,000	2034	585,000
2030	585,000	2035	585,000
2031	585,000	2036	585,000

The Bonds will bear interest commencing March 1, 2027 and semiannually thereafter on September 1 and March 1 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

Optional Redemption

The Bonds maturing on or before September 1, 2033 are not subject to redemption prior to maturity. The Bonds maturing on September 1, 2034 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on and after September 1, 2033, either in whole or in part at any time, in such order of maturity and amount as the Issuer may determine, and by lot within a maturity, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

Redemption Dates	Redemption Price
September 1, 2033 and thereafter	100.0%

Nature of Obligation

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

Bank Qualification

The Bonds SHALL be designated by the Issuer 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.

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of $5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date.

Record Date

The record dates for the Bonds will be the fifteenth day of February and August, or the preceding business day if such fifteenth day is not a business day, in each year.

Proposals

Each bid must be for the entire $5,855,000 of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than two (2) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on ***PARITY®*** shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost ("TIC") to the Issuer, as described under "Basis of Award; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms" below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

Basis of Award; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest TIC to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to cancel or postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a cancellation or postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

CUSIP Numbers

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the purchaser to apply for CUSIP numbers for the Bonds prior to delivery. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Electronic Proposals Bidding Procedure

Electronic bids for the purchase of the Bonds must be submitted through the facilities of ***PARITY®***. Any prospective bidder must be a subscriber of the BiDCOMP competitive bidding system. Further information about ***PARITY®***, including any fee charged, may be obtained from ***PARITY®***, c/o S&P Global, 55 Water Street, New York, New York 10041, Attention: Customer Support (telephone: (212) 849-5021; email notice: munis@spglobal.com or parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of ***PARITY®*** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via ***PARITY®***, the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of *PARITY®*, or the inaccuracies of any information, including bid information or worksheets supplied by *PARITY®*, the use of *PARITY®* facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each ***PARITY®*** prospective electronic bidder shall be solely responsible to make necessary arrangements to access ***PARITY®*** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor ***PARITY®*** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or ***PARITY®*** shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, ***PARITY®***. The Issuer is using ***PARITY®*** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. The Issuer is not bound by any advice and determination of ***PARITY®*** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via ***PARITY®*** are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone ***PARITY®*** at (212) 849-5021. If any provision of this Notice shall conflict with information provided by ***PARITY®***, this Notice shall control.

For the purpose of the electronic bidding process, the time as maintained on ***PARITY®*** shall constitute the official time.

Certifying Agent, Registrar, Paying Agent and Transfer Agent

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

Delivery, Payment and Closing Requirements

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Bridgeport, Connecticut, Bond Counsel ("Bond Counsel") (see "Bond Counsel Opinion" below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC or its agent via Fast Automated Securities Transfer ("FAST") on or about September 9, 2026 (the "Closing Date").

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

Bond Counsel Opinion

The legality of the issue will be passed upon by Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the "Establishment of Issue Price" section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed "issue price" certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under "Establishment of Issue Price".

Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the "Code"), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public (the "Initial Offering Price") or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this "Establishment of Issue Price" section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Jessica G. Kennedy, Esq., Pullman & Comley, LLC, 850 Main Street, Bridgeport, Connecticut 06604, Telephone: (203) 330-2215, E-mail: jkennedy@pullcom.com and (2) the Municipal Advisor at William Lindsay, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2880, E-mail: Bill.Lindsay@munistat.com (the "Municipal Advisor"). Questions related to this "Establishment of Issue Price" section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this "Establishment of Issue Price" section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a "courtesy bid" being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the "issue price" of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder's bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

Notification of Contact Information of Winning Bidder. Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this "Establishment of Issue Price" section.

Competitive Sale Rule. The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "Competitive Sale Rule") because:

(1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;

(2) all bidders shall have an equal opportunity to bid;

(3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost ("TIC"), as set forth in this Notice of Sale.

Competitive Sale Rule Met. The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed "ISSUE PRICE CERTIFICATE" in the form attached hereto as Attachment A.

Competitive Sale Rule Not Met. In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the "Actual Sales Rule") is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the "Hold-the-Offering-Price Rule"), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

Definitions. For purposes of this “Establishment of Issue Price” section:

(1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

Official Statement

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated August 19, 2026 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at www.i-dealprospectus.com and www.munistat.com, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from William Lindsay, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2880, E-mail: Bill.Lindsay@munistat.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the "Agreement"), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

TOWN OF MONROE, CONNECTICUT

TERRENCE P. ROONEY
First Selectman

FRANCIS DUTCHES
Treasurer

August 19, 2026

<u>ATTACHMENT A</u>

<u>ISSUE PRICE CERTIFICATE</u>

(If Competitive Sale Rule Met)

TOWN OF MONROE, CONNECTICUT
$_______ GENERAL OBLIGATION BONDS, ISSUE OF 2026
DATED SEPTEMBER 9, 2026

The undersigned, on behalf of [UNDERWRITER] ("[SHORT NAME OF UNDERWRITER]"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. ***Due Authorization***. The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price***. The TOWN OF MONROE, CONNECTICUT (the "Issuer") sold to [SHORT NAME OF UNDERWRITER], for delivery on or about September 9, 2026, the Bonds at a price of par ($_______), plus an aggregate net premium of $_______ and less an underwriter's discount of $_______, resulting in an aggregate net purchase price of $_______.

3. ***Reasonably Expected Initial Offering Price***.

(a) As of August 26, 2026 (the "Sale Date"), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **<u>Schedule A</u>** (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **<u>Schedule B</u>** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms***.

(a) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. ***Representations and Information***. The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder (collectively, the "Code"). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of August 26, 2026.

[**UNDERWRITER]**

By:____
Name:
Title:

Schedule A to Issue Price Certificate

Maturity, September 1	Principal Amount ($)	Interest Rate (%)	Price ($, not Yield)
2027	590,000		
2028	585,000		
2029	585,000		
2030	585,000		
2031	585,000		
2032	585,000		
2033	585,000		
2034	585,000		
2035	585,000		
2036	585,000		

Schedule B to Issue Price Certificate

Municipal Advisory Services

Provided by

Munistat