PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 15, 2026

NEW MONEY ISSUE – Book-Entry-Only

FITCH RATINGS:
S&P GLOBAL RATINGS:
(See "Ratings" herein)

In the opinion of Bond Counsel, assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), based on 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 calculating 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 purposes of computing the alternative minimum tax imposed on corporations under the Code. Interest on the Bonds may be includable in the calculation of certain taxes under the Code, as described under Appendix B - "Form of Legal Opinion of Bond Counsel and Tax Exemption" herein.

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 in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

TOWN OF GUILFORD, CONNECTICUT
$5,000,000 General Obligation Bonds, Issue of 2026
(Bank Qualified)

Dated: Date of Delivery **Due: Serially, October 1, as shown below**

MATURITY SCHEDULE AND AMOUNTS

Maturity	Amount	Coupon	Yield	CUSIP[1]	Maturity	Amount	Coupon	Yield	CUSIP[1]
2028	$ 275,000	%	%	401766***	2038	$ 270,000	%	%	401766***
2029	275,000			401766***	2039	270,000			401766***
2030	275,000			401766***	2040	270,000			401766***
2031	275,000			401766***	2041	270,000			401766***
2032	270,000			401766***	2042	240,000			401766***
2033	270,000			401766***	2043	240,000			401766***
2034	270,000			401766***	2044	240,000			401766***
2035	270,000			401766***	2045	240,000			401766***
2036	270,000			401766***	2046	240,000			401766***
2037	270,000			401766***					

The $5,000,000 General Obligation Bonds, Issue of 2026 (the "Bonds") will be general obligations of the Town of Guilford, 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 April 1 and October 1, in each year until maturity, commencing April 1, 2027.

The Bonds ARE subject to optional redemption prior to maturity as described herein. (See "Optional Redemption" herein).

The Bonds will be issued by means of a book-entry-only transfer system and registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. The Beneficial Owners of the Bonds will not receive certificates representing their ownership interest in the Bonds. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds. Ownership of the Bonds may be in principal amounts of $5,000 or integral multiples thereof. DTC will act as security depository for the Bonds. So long as Cede & Co. is the Bondowner as nominee for DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. (See "Book-Entry-Only Transfer System" herein.)

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

The Bonds are being offered for sale in accordance with an official Notice of Sale dated September 15, 2026. Electronic bids via PARITY® for the Bonds will be received until 11:30 A.M. (E.T.) on Tuesday, September 22, 2026, at the Office of the First Selectman, 2nd Floor Conference Room, 31 Park Street, Guilford, Connecticut 06437, as described in the official Notice of Sale. (See Appendix D herein).

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Shipman & Goodwin LLP, Bond Counsel, of Hartford, Connecticut. It is expected that the Bonds in definitive form will be available for delivery in New York, New York on or about October 7, 2026.

[1] Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. 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, salesman or other person has been authorized by the Town of Guilford, Connecticut (the "Town"), to give any information or to make representations not contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized.

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.

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

Set forth in Appendix A – "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.

Other than matters expressly set forth in Appendix 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 it has independently verified the same.

This Official Statement is in a form "deemed final" by the Town for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board through its EMMA system. 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, to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), (i) certain annual financial information and operating data; (ii) timely notice of the occurrence of certain events, not in excess of ten (10) business days after the occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement.

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.

BOND COUNSEL
SHIPMAN & GOODWIN LLP
Hartford, Connecticut
(860) 251-5000

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

TABLE OF CONTENTS

BOND ISSUE SUMMARY

The information in this section is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. The Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	Tuesday, September 22, 2026 until 11:30 A.M. (E.T.)
Location of Sale:	Office of the First Selectman, Town of Guilford, Town Hall, 31 Park Street, Guilford, Connecticut 06437.
Issuer:	The Town of Guilford, Connecticut (the "Town").
Issue:	$5,000,000 General Obligation Bonds, Issue of 2026 (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	April 1 and October 1 in each year until maturity, commencing April 1, 2027.
Principal Due Date:	Annually on October 1, as shown on the cover page of the Official Statement.
Purpose:	Proceeds of the Bonds will be used to finance capital projects as authorized by the Board of Selectmen, Board of Finance and the voters of the Town at referenda. (See "Authorization and Purpose" 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. See "Security and Remedies" herein.
Tax Exemption:	See Appendix B - "Form of Legal Opinion of Bond Counsel and Tax Exemption".
Bank Qualification:	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, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.
Ratings:	See "Ratings" herein.
Optional Redemption:	The Bonds are subject to optional redemption prior to maturity as more fully described herein. See "Optional Redemption" herein.
Registrar, Transfer Agent, Certifying Bank and Paying Agent:	U.S. Bank Trust Company, National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Shipman & Goodwin LLP, Hartford, Connecticut, will act as Bond Counsel.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 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) notice of the occurrence of certain events within ten (10) business days of the occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required information on or before the date specified in the Continuing Disclosure Agreement to be executed substantially in the form attached as Appendix C to this Official Statement.
Delivery:	It is expected that delivery of the Bonds in book-entry-only form to The Depository Trust Company will be made on or about October 7, 2026. Payment must be made in Federal Funds.
Issuer Official:	Questions regarding the Town and this Official Statement should be directed to Ms. Maryjane Malavasi, Finance Director, Town of Guilford, 31 Park Street, Guilford, Connecticut 06437, telephone (203) 453-8023.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: William Lindsay, Managing Director, Telephone: 203-421-2880.

I. SECURITIES OFFERED

INTRODUCTION

This Official Statement, including the cover page and appendices has been prepared by the Town of Guilford, Connecticut (the "Town"), in connection with the issuance and sale by the Town of $5,000,000 General Obligation Bonds, Issue of 2026 (the "Bonds"). 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.

This presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in financial or other positions of the Town. Except for information expressly attributed to other sources, all financial and other information presented herein has been provided by the Town.

Bond Counsel is not passing upon, and does not assume responsibility for, the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth in its opinion in Appendix B) and they make no representation that they have independently verified the same.

DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery and will mature in annual installments on October 1 in each of the years and in the principal amounts set forth on the cover page of this Official Statement. Interest will be payable on April 1, 2027 and semiannually thereafter on October 1 and April 1 in each year until maturity and will be payable to the registered owners of the Bonds as of the fifteenth day of September and March in each year, or the preceding day if the fifteenth day is not a business day ("record date"). A book-entry transfer system will be employed evidencing ownership of the Bonds in principal amounts of $5,000 or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants pursuant to rules and procedures established by DTC and its participants. (See "Book-Entry-Only Transfer System" herein). The Registrar, Certifying Bank, Transfer and Paying Agent for the Bonds will be U.S. Bank Trust Company, National Association, of Hartford, Connecticut. The legal opinion for the Bonds will be rendered by Shipman & Goodwin LLP, of Hartford, Connecticut. (See Appendix B herein). The Bonds shall be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

OPTIONAL REDEMPTION

The Bonds maturing on or before October 1, 2034 are <u>not</u> subject to redemption prior to maturity. The Bonds maturing on October 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Town, on and after October 1, 2034, at any time, either in whole or in part, in such amounts and in such order of maturity, but by lot within a maturity, as the Town may determine, at the redemption prices (expressed as a percentage of the par 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
October 1, 2034 and thereafter	100%

NOTICE OF REDEMPTION

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail at least twenty (20) days prior to the date fixed for redemption to the registered owner of the Bonds designated for redemption in whole or in part at the address of such registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if such funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date. So long as Cede &Co., as nominee of the Depository Trust Company ("DTC") is the registered owner of the Bonds, notice of redemption will be sent only to DTC (or a successor securities depository) 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 Bond to be redeemed shall be in the principal amount of $5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by $5,000.

The Town, so long as a book-entry system is used for the Bonds being called for redemption, will send any notice of redemption only to the DTC, or a successor securities depository, or its DTC nominee. Any failure of DTC to advise any Direct Participant or of any Direct 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 (see "Book-Entry-Only Transfer System" herein for discussion of DTC and definitions of "Direct Participant", "Indirect Participant", and "Beneficial Owners"). Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interest held by Direct 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 Direct Participants. The Direct Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town or be the responsibility of the Town, the Registrar or Paying Agent.

RATINGS

The Bonds have been rated [ ] by Fitch Ratings ("Fitch") and [ ] by S&P Global Ratings ("S&P"). The ratings on certain outstanding bond issues have recently been affirmed as [ ] by Fitch and "AAA" by S&P. The ratings reflect only the views of such organizations and an explanation of the significance of such ratings may be obtained from each rating agency at the following addresses: Fitch Ratings, 300 West 57th Street, New York, NY 10019, and S&P Global Ratings, 55 Water Street, New York, NY 10041. There is no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by such agencies if, in the judgment of such rating agencies, circumstances so warrant. A revision or withdrawal of such ratings may have an effect on the market price of the bonds of the Town, including the Bonds.

AUTHORIZATION AND PURPOSE

Authorization. The Bonds were authorized and are being issued pursuant to Title 7 of the General Statutes of Connecticut, as amended, the Charter of the Town of Guilford and certain bond resolutions adopted by the Town's Board of Selectmen, Board of Finance and approved by voters of the Town at referenda.

Purpose. The proceeds of the Bonds will be used to finance the following projects for which bonds have been authorized to be issued:

Projects	Total Bond Authorization	Prior Bonds, Grants & Contributions	*The Bonds*	Authorized But Unissued
Town Property Improvements (2013-14)	$ 1,235,000	$ 1,070,000	$ 161,868	$ 3,132
Town Facility Improvements (2015-16)	2,205,000	1,605,661	26,015	573,324
School Facility Improvements (2015-16)	3,595,000	2,468,017	955,553	171,430
Public Safety Equipment (2017-18)	1,451,804	1,291,734	20,572	139,498
School Facility Improvements (2017-18)	3,464,999	3,227,382	227,668	9,949
Town Vehicles and Equipment (2019-20)	2,402,000	1,850,346	356,809	194,845
Town Facilities Improvements and Dump Trucks (2021-22)	4,497,012	1,878,974	902,592	1,715,446
Town Road and Facility Improvements (2023-24)	6,102,668	722,828	2,348,923	3,030,917
Total	$ 24,953,483	$ 14,114,942	$ 5,000,000	$ 5,838,541

AVAILABILITY OF CONTINUING DISCLOSURE INFORMATION

The Town will enter into Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C to this Official Statement (collectively, 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, (ii) timely notice of the occurrence of certain events, not in excess of ten (10) business days after such occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The purchaser's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

The Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to SEC Rule 15c2-12(b)(5). In the past five years, the Town has not failed to comply in any material respect with its undertakings under such agreements.

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 comprehensive policies and procedures relating to the security of the Town's government networks. Additionally, the Town purchases cybersecurity insurance, so that a claim can be made to the insurance provider in the event of a cyber-attack. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

CLIMATE CHANGE

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Town's location in southern Connecticut on the Long Island Sound increases its vulnerability to flooding. In addition to flooding, the Town faces other threats due to climate change, including damaging wind that could become more severe and frequent. The Town cannot predict the timing, extent or severity of climate change and its impact on its operations and finances.

The Town has a long history of planning for the impacts of coastal flooding including the adoption of a Municipal Coastal Program in 2008, a Hazard Mitigation Plan in 2012 and a Community Coastal Resilience Plan (the "Coastal Resilience Plan") in 2014. The Hazard Mitigation Plan was combined into the South Central Region Council of Governments ("SCRCOG") Regional Hazard Mitigation Plan which was updated in 2018 and 2023. Additionally, the Town has formed a Hazard Mitigation Commission which meets quarterly to provide public outreach and develop action plans for mitigation projects. The Coastal Resilience Plan, developed in association with The Nature Conservancy and Yale University, was developed to address current and future social, economic and ecological resilience of the Town's shoreline to the impacts of sea level rise and anticipated increases in the frequency and severity of storm surge, coastal flooding, and erosion. The four basic steps of the Coastal Resilience Plan include: 1) generate awareness of coastal risks; 2) assess coastal risks and opportunities; 3) identify options or choices for addressing priority risks and vulnerabilities; and 4) develop and implement an action plan to put selected options or choices into place. The Coastal Resilience Plan was subsequently adopted by the Town's Planning and Zoning Commission as an amendment to the Town's 2015 Plan of Conservation and Development and was endorsed by the Board of Selectmen. Consistent with the measures outlined in the Coastal Resilience Plan, to date the Town has spent approximately $1.3 million on flood mitigation projects on three (3) Town roads located in coastal areas of Town. Additionally, the Town has secured $6.5 million in State of Connecticut Local Transportation Capital Improvement Program ("LOTCIP") funding for resiliency improvements on Falcon Road including reconstruction of the seawall and elevation changes. The Town has also obtained $3.5 million in State funding for resiliency improvements at the Lake Quonnipaug Dam and the adjacent roadway. The Town, along with the neighboring Town of Branford, was also awarded a grant from the State of Connecticut's Department of Energy and Environmental Protection ("DEEP") for the Study and Development of a Management Plan for Route 146, a historically designated coastal road which runs along the shoreline in both Towns. The Town recently completed the 2025 update to the Plan of Conservation and Development which included a focus on costal resiliency to address increasing climate challenges. To that end, as of June 30, 2026, the Town has reserved $926,000 in Committed General Fund Balance for future coastal resilience study/projects as well as $166,000 for disaster relief.

SECURITY AND REMEDIES

The Bonds will be general obligations of the Town of Guilford, Connecticut, 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 of the Town. 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 of qualified disabled persons taxable at limited amounts. The Town may place a lien on the property for the amount of tax relief granted plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons.

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 and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds and notes from funds lawfully available therefore or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors, including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds 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 and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

QUALIFICATION FOR FINANCIAL INSTITUTIONS

The Bonds **shall be** designated as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 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 on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

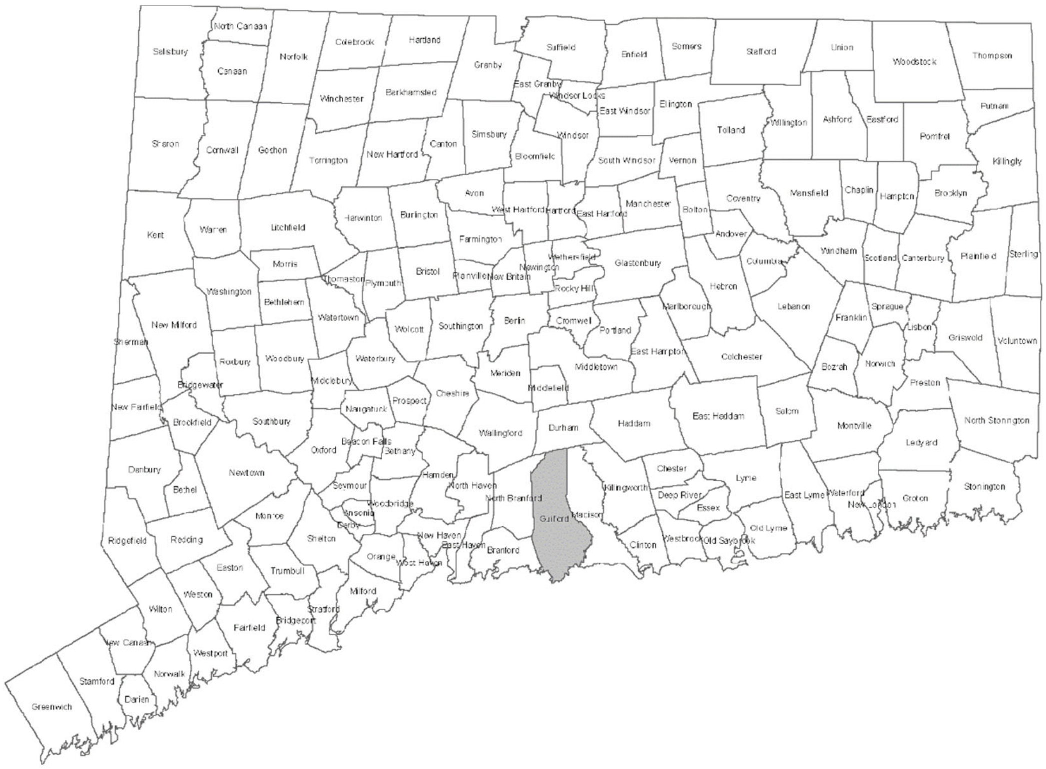
REPLACEMENT BONDS

The determination of the Town officials authorizing the issuance of the Bonds provides for issuance of fully-registered Bond certificates directly to Beneficial Owners of the Bonds a or their nominees 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-only system of evidence and transfer of ownership of the Bonds. 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.

[The remainder of this page intentionally left blank]



DESCRIPTION OF THE TOWN

The Town of Guilford, first settled in 1639 and named on July 6, 1643, was the seventh town established in Connecticut. Today, the Town occupies a land area of approximately 47.7 square miles within New Haven County, and serves an estimated population of 22,108. Guilford is located in the southern part of Connecticut on Long Island Sound and is bounded on the east by Madison; on the north by Durham; and on the west by North Branford and Branford. It is strategically located within a two-hour drive of four major cities including Boston, New York City, Hartford and Providence. Interstate 95 and state highways 80, 146 and 1 (Boston Post Road) intersect the Town for east and west access, while state highway 77 provides north and south access. The Town is served by bus, air and Shoreline East rail service from the New Haven area.

The Town is primarily a middle to upper income suburban residential community comprised of single-family homes. The U.S. Census Bureau's 2024 American Community Survey reported Town residents as being slightly older and better educated than state averages. Most residents are employed in executive, professional, technical and managerial positions in New Haven, Hartford, Groton and in Fairfield County. The U.S. Census Bureau's 2024 American Community Survey reported the Town's per capita income as $73,138 or approximately 130.8% of the state median and its median family income as $169,744 or 138.3% of the state median.

For over one hundred years, Guilford has maintained a large summer residential community, who have been attracted to the Town's beaches, harbors and other natural resources. The Town has three public beaches, two on Long Island Sound and one on Lake Quonnipaug in North Guilford, as well as a nine-hole, par three golf course. The Town also owns recreation facilities that provide hiking, camping, picnicking and active recreation.

The Town’s Plan of Conservation and Development (the "Plan") defines land use priorities and policies for all Town agencies. The Planning & Zoning Commission and the Board of Selectmen are the agencies primarily responsible for adherence to the Plan with all other boards and commissions in support and collaboration. The Plan was originally created in 1978 and the most recent comprehensive revision was approved in July 2026. Portions of the Plan have been updated in 2003, 2004, 2007, 2009 and 2015. In accordance with the Plan, the Town actively encourages acquisition of open space either through direct purchases or through the Guilford Conservation Land Trust.

The Town actively pursues economic development opportunities wherever possible, especially along the Boston Post Road/I-95 corridors and identified commercial/industrial zoned area. The Economic Development Department and the Economic Development Commission work with other land use commissions to properly zone and market significantly sized parcels of land for future mix-use development. See "Guilford Economic Development" herein for more information.

The Town Center, which includes the Town Green, is the principal symbol of the historic character of the Town. The Town Center, which is designated on the National Register of Historic Places, includes a mix of government buildings, churches, retail shops, restaurants and residences. The Town Green is the center of activity for local community events such as concerts, art and antique shows, and plays. The Guilford Arts Center annually hosts one of the largest arts and crafts festivals in New England on the Town Green. In addition to the many small businesses surrounding the Green, there are numerous banking institutions, including Bank of America, Citizen's Bank, Connex Credit Union, The Guilford Savings Bank, KeyBank and Webster Bank either on the Town Green or within a couple of blocks.

The Town provides a full range of services, including Public Safety, Public Works, Health and Welfare, Culture, Recreation and Education. Full-time police protection is provided by 39 full-time officers. Fire protection and paramedic service is provided by 44 career firefighters and 23 volunteer firefighters. All residential and commercial facilities' sewage is collected in individual septic systems. Water is provided by individual wells and the Connecticut Water Company.

Solid Waste removal is provided throughout the Town by private contractors. The Town operates a Waste Transfer Station with the Town of Madison for disposal of mixed solid waste and recyclables for residents who do not want to hire private contractors. The collected waste is compacted into refuse trailers and transported to a State licensed waste to energy plant operated by Reworld Waste. Under the terms of the five-year Agreement with Reworld Waste, the Town is only obligated to transport and pay for the waste received at the Transfer Station. Trash collected by private contractors may be delivered to the waste to energy plant but the Town has no obligations to pay for the disposal. For fiscal year 2026-27, the Town will pay a solid waste disposal fee that includes a tip fee of $85.17 per ton, a transportation fee of $13.75 per ton.

FORM OF GOVERNMENT

The Town of Guilford operates under the provisions of its Charter, most recently revised on February 1, 2006 and the General Statutes of the State of Connecticut. The legislative body is the Town Meeting. The executive body is the Board of Selectmen, which consists of an elected First Selectman and four Selectmen. The First Selectman is the Chief Executive Officer of the Town. Election to the Board of Selectmen is for a four-year term. A seven-member Board of Finance is responsible for presenting fiscal operating budgets to the Annual Town Meeting. Board of Finance members are elected for four-year terms. A nine-member elected Board of Education is responsible for the operation of the school system. Members of the Board of Education are elected to four-year terms.

Other elected offices include Board of Assessment Appeals and Registrar of Voters. The Town Counsel, Assessor, Town Clerk, Tax Collector, Health Officer, Welfare Director, Finance Director and Town Planner are appointed by the Board of Selectmen.

The Charter provides for an annual Town Meeting for approval of the annual budget and for supplemental appropriations and bond authorizations which exceed certain amounts. (See "Legal Requirements for Approval of Borrowing" herein).

[The remainder of this page intentionally left blank]

MUNICIPAL OFFICIALS

Board of Selectmen	Term Expires
Matthew T. Hoey III, First Selectman...	2029
Louis Federici, Selectman..	2029
Sandra J. Ruoff, Selectman...	2029
Jonathan Trotta, Selectman...	2029
Susan Renner, Selectman..	2029
Board of Finance	
F. Michael Ayles, Chairman...	2027
Meghan Scanlon..	2027
Robert Hartmann, Jr..	2027
Elias Kabeche..	2029
Jeffrey Beatty..	2029
Amy Earls..	2029
Vacancy...	2029
Other Officials	
Maryjane Malavasi, Finance Director/Treasurer…....……………	Appointed
Anna Dwyer, Town Clerk………………………………………	Appointed
Deborah Milano, Tax Collector……………………………….	Appointed
Paul Freeman Ed.D., Superintendent of Schools………...…....	Appointed
Attorney Peter Barrett, Town Counsel…..……………………..	Appointed

Source: Town of Guilford, Selectmen's Office

EDUCATIONAL SYSTEM

The Town's school system consists of one school for pupils in grades Pre-K through 4; three schools for pupils in grades K through 4; one school for pupils in grades 5 to 6; one school for pupils in grades 7 to 8; and pupils in grades 9 through 12 attend the high school. The schools are governed by a nine-member Board of Education.

[The remainder of this page intentionally left blank]

EDUCATIONAL FACILITIES

School	Grades	Date Occupied	Additions/ Renovations	Enrollment 10/1/2025	Capacity [1]
A.W. Cox.......................................	K - 4	1967	1993, 2000	264	396
Melissa Jones...............................	K - 4	1953	1962,69,71,93	272	440
Guilford Lakes..............................	PK - 4	1959	1965,93	348	506
Calvin Leete.................................	K - 4	1950	1962,69,93	230	352
Abraham Baldwin..........................	5 - 6	1968	1991	416	550
Elizabeth Adams...........................	7 - 8	1936	1956,69,75,93, 2005	483	638
Guilford High...............................	9 - 12	2015	2015	961	1,296
Special Education & Vocational Agriculture................................				43	N/A
Total				3,017	4,178

[1] *Internal changes have altered original capacity ratings.*

Source: Town of Guilford, Office of the Superintendent of Schools.

SCHOOL ENROLLMENT

Actual

As of October 1	Pre-K-4	5 - 6	7 - 8	9 - 12	Out-Placed/ Special Education [1]	Total
2016	1,152	578	534	1,123	62	3,449
2017	1,115	538	578	1,131	61	3,423
2018	1,115	502	579	1,096	65	3,357
2019	1,107	472	543	1,114	64	3,300
2020	1,012	468	493	1,106	59	3,138
2021	1,082	468	465	1,094	67	3,176
2022	1,113	468	486	1,049	63	3,179
2023	1,097	483	482	1,026	62	3,150
2024	1,092	463	478	1,009	52	3,094
2025	1,114	416	483	961	43	3,017

Projected

As of October 1	K-4 [2]	5 - 6	7 - 8	9 - 12	Total
2026	1,193	469	483	973	3,118
2027	1,195	518	434	981	3,128
2028	1,212	504	477	967	3,160
2029	1,227	502	527	936	3,192
2030	1,254	499	516	970	3,239

[1] *Counts include students attending magnet schools, Sound School and Vo-Ag programs and Connecticut Public Schools Special Programs out of district.*

[2] *Projections do not include Pre-K.*

Source: Town of Guilford, Office of the Superintendent of Schools.

MUNICIPAL EMPLOYMENT

Fiscal Year	2027	2026	2025	2024	2023
General Government	212	210	211	201	202
Board of Education	550	570	573	560	568
Total	762	780	784	761	770

Source: Town of Guilford, Finance Department.

MUNICIPAL EMPLOYEES BY CATEGORY

General Government	**Employees**
Assessor's Office	3.0
Building Department	3.0
Communications	5.0
Finance	8.0
Fire Department	45.0
Health Department	4.0
Social Services	4.0
Youth & Family Services	12.0
Library	11.0
Parks and Recreation	20.0
Planning and Zoning	5.0
Police Department	48.0
Public Works/Engineering	25.0
Selectman's Office	3.0
Human Resources	2.0
Tax Collector's Office	3.0
Town Clerk	3.0
Town Properties	5.0
General Government Subtotal	209.0
Non-general fund supported	3.0
General Government total	212
Board of Education	
Teachers	312.6
Secretaries and Aides	124.0
Custodial and Maintenance	33.5
Principals and Administration	23.0
Nurses/Therapists	10.0
Cafeteria	29.5
Technology Technicians	8.0
Parking/Security	8.5
Transportation	0.5
Board of Education subtotal	549.6
Total Employees	761.6

Source: Town of Guilford, Finance Department.

MUNICIPAL EMPLOYEES BARGAINING ORGANIZATIONS

General Government	Employees Represented	Contract Expiration
Police Officers, Local 256, AFSCME Council 4, AFL-CIO	38	6/30/2029
International Association of Fire Fighters	41	6/30/2026 [1]
United Public Service Employees Union	8	6/30/2027
Teamsters, Chauffeurs, Warehousemen, and Helpers Local No. 443	20	6/30/2026 [1]
Guilford Employees Association	78	6/30/2027
Guilford Supervisors Association	14	6/30/2027
Sub-Total General Government	199	
Non-bargaining employees	13	N/A
Total General Government	212	
Board of Education		
Guilford Council of Educational Administrators	17	6/30/2029
Guilford Education Association	314	6/30/2029
United Public Service Employees Union, Locat 424, Unit 88	9	6/30/2028
UNITE HERE! Union Local 217	24	6/30/2027
Local 1303 Council #4 AFSCME, AFL-CIO	38	6/30/2028
United Public Service Employees Union, Locat 424, Unit 99	108	6/30/2027
Sub-Total Board of Education	510	
Non-bargaining employees	40	N/A
Total Board of Education	550	
Total Town of Guilford	762	

[1] *In negotiations.*

Source: Town of Guilford, Human Resources Department.

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's organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either of one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of teachers' contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. For binding arbitration of all other municipal employee contracts, there is an irrefutable presumption that 15% of the municipal employer’s budget reserve 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.

GUILFORD ECONOMIC DEVELOPMENT

Guilford's central location between New York and Boston, combined with easy access to major highways, air and rail transportation, make it a desirable area for a wide assortment of businesses. Just 11 miles away is the expanding Tweed New Haven airport which has transportation hubs for Avelo and Breeze Airways. Aside from CT Transit bus service and Shoreline East rail service the town also as local transportation services through XtraMile ride share and the Guilford Senior services buses.

The Town's proximity to New Haven, including Yale-New Haven Hospital, Yale University and biotech companies, brings a strong group of professionals to Guilford to live, shop, dine and explore. In addition, Hartford Healthcare and Gaylord Rehabilitation have offices in town creating a superior level of healthcare access. Guilford continues to experience an increase in both commercial and residential development activity. New construction along with existing buildings undergoing a transformation, are bringing a revitalization and energy to areas throughout the Town. Examples include the following:

Restaurant Destination: In recent years several quality eateries have opened in Guilford, many around the green area complimenting the adjacent boutique shops. Char & Lemon has opened, as planned, on the corner of the Green offering large plate Italian food and wood fired pizza on the menu. Three additional restaurants in the Green area are being renovated or have already opened. Guilford is fast becoming a restaurant destination with several eateries open seven days a week and seemingly busy all the time. There are white linen establishments, diners, fast food, and grab and go shops providing a variety of cuisine. Growth in this industry has added to the appeal and attraction of the Town.

Commercial and Retail Growth: Over the last couple years some big brand names have opened shop along the Route 1 corridor these include Target, Old Navy, and TJ Maxx. There also continues to be growth in smaller specialty and boutique shops and professional services providers. Retail and commercial property vacancy remains low, another indicator of Guilford's appealing socio-economic makeup. Goodwill Industries will be moving into a large 120,000 square foot office and warehouse structure on Long Hill Road. This is a relocation of several of their distribution centers. Goodwill will also open a retail store on Route 1, the location is to be determined

Residential Expansion: This shoreline town with its coastal charm, downtown, plentiful open space and parks and strong school system remains a sought-after places to live in Connecticut. Residential renovation and expansion are extremely busy. New home construction is under way for single family and townhouse market level housing. The median value of homes is $490,000 with the average sale price over $650,000. Housing inventory for single family and rental property is low and turnover is fast with sales going at or over asking price.

Two large apartment projects are underway; Village West is a 162-unit rental community under development by Cherry Hill Construction. This project will provide 1 and 2 bedroom and studio units. A clubhouse, pool, walking trails are planned for the development. A commercial space will also be part of the project which will house retail and restaurants. This site is located at Exit 57 off I95, is on a bus route and is across from the Village Commons shopping center.

Hubbard Road project is a 100 1-bedroom development that is currently under construction. It qualified as an 8-30 G project as it will have 30% of the units fall into the affordable housing threshold. It is located approximately ½ mile from Route 1 between Long Hill Rd and Route 77.

[The remainder of this page intentionally left blank]

III. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

Year	Town of Guilford	New Haven County	South Central Planning Region [1]	State of Connecticut
1970	12,033	744,948	n/a	3,032,217
1980	17,375	761,337	n/a	3,107,576
1990	19,848	804,219	n/a	3,287,116
2000	21,398	824,008	n/a	3,405,565
2024	22,108	n/a	570,598	3,624,508

[1] *Starting with the 2020-24 American Community Survey, the county level area has been changed to reflect the South Central Planning Region.*

Source: U.S. Census Bureau.

AGE DISTRIBUTION OF THE POPULATION

	Town of Guilford		South Central Planning Region		State of Connecticut	
Age	Number	Percent	Number	Percent	Number	Percent
Under 5.........	868	3.9	28,405	5.0	181,691	5.0
5 - 9............	1,232	5.6	29,672	5.2	195,164	5.4
10 - 14..........	1,494	6.8	32,439	5.7	214,972	5.9
15 - 19..........	1,444	6.5	39,870	7.0	239,710	6.6
20 - 24..........	853	3.9	40,539	7.1	238,387	6.6
25 - 34..........	1,217	5.5	75,536	13.2	454,892	12.6
35 - 44..........	2,240	10.1	70,620	12.4	460,916	12.7
45 - 54..........	3,234	14.6	68,918	12.1	453,917	12.5
55 - 59..........	1,823	8.2	38,906	6.8	256,068	7.1
60 - 64..........	1,821	8.2	39,627	6.9	258,234	7.1
65 - 74..........	2,969	13.4	60,916	10.7	386,232	10.7
75 - 84..........	2,053	9.3	31,344	5.5	196,373	5.4
85 and over...	860	3.9	13,806	2.4	87,952	2.4
Total	22,108	100.0	570,598	100.0	3,624,508	100.0
Median Age......		51.1	40.2		41.1	

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

EDUCATIONAL ATTAINMENT

	Town of Guilford		South Central Planning Region		State of Connecticut	
Educational Attainment Group	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade..........................	39	0.2	14,920	3.7	101,458	4.0
9th to 12th grade..............................	265	1.6	16,531	4.1	114,887	4.5
High School graduate.......................	2,741	16.9	112,247	28.1	647,192	25.3
Some college, no degree.................	2,192	13.5	60,321	15.1	410,903	16.1
Associates degree............................	1,160	7.2	27,645	6.9	195,081	7.6
Bachelor's degree.............................	4,482	27.6	86,918	21.7	595,631	23.3
Graduate or professional degree.....	5,338	32.9	81,091	20.3	489,432	19.2
Total	16,217	100.0	399,673	100.0	2,554,584	100.0
Percent of High School Graduates		98.1%		92.1%		91.5%
Percent of College Graduates		60.6%		42.0%		42.5%

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

SELECTED WEALTH AND INCOME INDICATORS

	Median Family Income		Per Capita Income	
	(2000)	(2024)	(2000)	(2024)
Town of Guilford	$ 87,045	$169,744	$37,161	$ 73,138
New Haven County	60,549	n/a	24,439	n/a
South Central Planning Region	n/a	115,384	n/a	49,766
Connecticut	65,521	122,706	28,766	55,915
United States	49,600	99,999	21,690	44,673

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

INCOME DISTRIBUTION

	Town of Guilford		South Central Planning Region		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent
Less than $10,000	29	0.4	3,881	2.7	24,004	2.6
$10,000 to $14,999	23	0.3	1,780	1.3	12,584	1.4
$15,000 to $24,999	253	3.8	4,091	2.9	27,285	3.0
$25,000 to $34,999	36	0.5	5,976	4.2	33,429	3.6
$35,000 to $49,999	306	4.6	10,937	7.7	59,826	6.5
$50,000 to $74,999	659	10.0	17,459	12.3	106,611	11.6
$75,000 to $99,999	485	7.3	16,267	11.5	106,893	11.6
$100,000 to $149,999	1,144	17.3	28,577	20.2	182,785	19.8
$150,000 to $199,999	1,160	17.5	20,707	14.6	131,310	14.3
$200,000 or more	2,516	38.1	31,946	22.6	236,661	25.7
Total	6,611	100.0	141,621	100.0	921,388	100.0

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

EMPLOYMENT BY INDUSTRY

	Town of Guilford		South Central Planning Region		State of Connecticut	
Employment Sector	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting & Mining	10	0.1	610	0.2	7,132	0.4
Construction	908	8.5	15,844	5.5	113,006	6.1
Manufacturing	1,121	10.5	29,612	10.2	198,526	10.7
Wholesale Trade	142	1.3	4,972	1.7	35,592	1.9
Retail Trade	948	8.9	28,324	9.8	192,698	10.4
Transportaion, Warehousing & Utilities	310	2.9	13,573	4.7	87,076	4.7
Information	261	2.4	5,377	1.9	37,488	2.0
Finance, Insurance & Real Estate	873	8.2	17,182	5.9	161,226	8.7
Professional, Scientific & Management	1,335	12.5	30,989	10.7	228,229	12.3
Educational Services & Health Care	3,276	30.7	96,677	33.4	496,559	26.8
Arts, Entertainment, Recreation & Food Services	599	5.6	22,608	7.8	143,851	7.8
Other Service (including nonprofit)	335	3.1	12,894	4.5	80,617	4.4
Public Administration	540	5.1	10,380	3.6	67,864	3.7
Total	10,658	100.0	289,042	100.0	1,849,864	100.0

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

MAJOR EMPLOYERS

Name of Employer	Nature of Entity	Estimated Number of Employees
Town of Guilford	Municipality	762
Yale New Haven Health Home Care	Home Health Care Provider	250
Yale New Haven Shoreline Medical Center	Hospital	195
Apple Rehab	Rehabilitation Facility	174
Brook & Whittle	Manufacturing - Labels	161
American Cruise Lines	Cruise Line Headquarters	127
Moroso Performance Products	Manufacturing - Auto Parts	103
Target	Retail Sales	100
Ascend Bank	Community Bank	98
Rea Magnet Wire	Manufacturing - Magnet Wire	80
Big Y Supermarket	Retail Sales	82
Bishop Orchards Farm Market	Retail Sales	78
George Schmitt Printing	Manufacturing - Labels	68
Defibtech	Manufacturing - Defibuloators	67
Total		2,345

Source: Town of Guilford.

UNEMPLOYMENT RATE STATISTICS

By Place of Residence – Not Seasonally Adjusted

	Town of Guilford		Percentage Unemployed		
Period	Employed[1]	Unemployed[1]	Town of Guilford (%)[1]	New Haven Labor Market (%)[1]	State of Connecticut (%)[1]
May 2026	10,243	470	4.4	5.1	5.0
April 2026	10,272	457	4.3	5.3	5.2
March 2026	10,343	436	4.0	5.0	5.1
February 2026	10,338	526	4.8	5.8	5.8
January 2026	10,361	491	4.5	5.5	5.5
Annual Average					
2025	11,050	357	3.1	3.9	3.9
2024	13,138	306	2.3	3.3	3.5
2023	12,956	353	2.7	3.5	3.8
2022	13,041	382	2.8	3.9	4.1
2021	12,213	486	3.8	6.1	6.4
2020	12,214	660	5.1	7.4	8.0
2019	12,971	323	2.4	3.5	3.6
2018	12,836	353	2.7	3.8	3.9
2017	12,752	382	2.9	4.4	4.4
2016	12,483	440	3.4	4.8	4.8

[1] Not seasonally adjusted.

Source: State of Connecticut, Department of Labor.

NUMBER AND VALUE OF BUILDING PERMITS

Fiscal Year	Value	Permits
2026 [1]	$ 60,794,395	1,713
2025	54,503,153	2,650
2024	58,256,920	2,178
2023	50,083,040	2,546
2022	62,745,500	2,712
2021	49,427,620	2,503
2020	32,994,770	2,200
2019	48,216,390	1,883
2018	46,850,733	1,747
2017	43,150,192	1,996

[1] *As of June 30, 2026.*

Source: Town of Guilford, Building Department

HOUSING INVENTORY

Type	Units	Percent
1-unit detached	8,300	84.4
1-unit attached	333	3.4
2 to 4 units	451	4.6
5 to 9 units	337	3.4
10 or more units	400	4.1
Mobile home, trailer, other	18	0.2
Total Inventory	9,839	100.1

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

OWNER OCCUPIED HOUSING VALUES

	Town of Guilford		South Central Planning Region		State of Connecticut	
Value of Owner Occupied Units	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than $50,000	67	0.9	3,641	2.6	23,262	2.4
$50,000 to $99,999	14	0.2	1,890	1.4	14,209	1.5
$100,000 to $149,999	36	0.5	5,145	3.7	31,134	3.3
$150,000 to $199,999	65	0.9	9,049	6.5	65,851	6.9
$200,000 to $299,999	474	6.4	32,243	23.1	205,349	21.5
$300,000 to $499,999	2,920	39.4	57,213	41.0	350,277	36.8
$500,000 to $999,999	3,099	41.8	25,924	18.6	197,853	20.8
$1,000,000 or more	745	10.0	4,515	3.2	65,054	6.8
Total	7,420	100.0	139,620	100.0	952,989	100.0
Median Value	$515,800		$353,100		$366,900	

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

AGE DISTRIBUTION OF HOUSING

Year Structure Built	Town of Guilford Number	Town of Guilford Percent	South Central Planning Region Number	South Central Planning Region Percent	State of Connecticut Number	State of Connecticut Percent
Built 2020 or later...........	53	0.5	1,512	0.6	10,811	0.7
Built 2010 to 2019..........	382	3.9	9,231	3.7	69,596	4.5
Built 2000 to 2009..........	516	5.2	13,425	5.4	109,783	7.1
Built 1990 to 1999..........	924	9.4	18,618	7.5	115,803	7.5
Built 1980 to 1989..........	2,019	20.5	30,943	12.5	199,083	12.9
Built 1970 to 1979..........	1,831	18.6	31,182	12.6	210,797	13.7
Built 1960 to 1969..........	1,418	14.4	30,920	12.5	199,847	13.0
Built 1950 to 1959..........	1,109	11.3	38,313	15.4	217,807	14.1
Built 1940 to 1949..........	390	4.0	16,795	6.8	96,711	6.3
Built 1939 or earlier.........	1,197	12.2	57,328	23.1	311,584	20.2
Total housing units	9,839	100.0	248,267	100.0	1,541,822	100.0

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

BREAKDOWN OF LAND USE

Land Use Class	Number of Parcels	Acres	Percent of Total Area
Agricultural....................................	63	1,522	5.0%
Commercial...................................	204	420	1.4%
Industrial..	36	222	0.7%
Institutional....................................	21	72	0.2%
Island..	20	13	0.0%
Marine Commercial......................	7	39	0.1%
Mixed Use....................................	18	12	0.0%
Open Space....................................	455	6,734	22.1%
Private Institutional.......................	45	441	1.4%
Private Open Space & Recreation	64	628	2.1%
Residential.....................................	8,902	13,048	42.9%
Right of Way.................................	54	1,558	5.1%
Regional Water Authority.............	27	3,281	10.8%
Utility...	20	60	0.2%
Vacant...	725	2,107	6.9%
Water..	18	268	0.9%
Total	10,679	30,425	100.0%

Source: Town of Guilford, Plan of Conservation and Development, 2026.

[The remainder of this page intentionally left blank]

ASSESSMENT PRACTICES

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

The Town last completed a general revaluation for the grand list dated October 1, 2022, effective fiscal year 2023-24. Under Section 12-62 of the Connecticut General Statutes, the Town must do a revaluation every five years based on generally accepted mass appraisal methods and a revaluation by physical inspection no later than 10 years from the preceding physical inspection. Prior to the completion of each revaluation, the Assessor shall conduct a field review.

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 revaluation. The property depreciation and obsolescence factors are also considered when arriving at an equitable value.

For assessment years commencing on or after October 1, 2024, assessments for motor vehicles are computed at 70% of the vehicle's depreciated manufacturer's suggested retail price ("MSRP") pursuant to Section 12-63(7) of the Connecticut General Statutes.

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

TAX COLLECTION PROCEDURE

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

MOTOR VEHICLE PROPERTY TAX RATE

Connecticut General Statutes Section 12-71e creates a cap on the local property tax mill rate for motor vehicles. The statute provides that (1) for the assessment year October 1, 2016, the mill rate for motor vehicles shall not exceed 39 mills, and (2) for the assessment year October 1, 2017 to October 1, 2020, inclusive, the mill rate for motor vehicles shall not exceed 45 mills, and (3) for the assessment year commencing October 1, 2021, and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 32.46 mills. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town or city in which such district or borough is located would result in a combined motor vehicle mill rate in excess of these mill rate caps. The Town's mill rate for motor vehicles for fiscal year 2026-2027 is 28.40.

For the fiscal year ending June 30, 2022, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2020, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills. For the fiscal year ending June 30, 2023, and each fiscal year thereafter, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 32.46 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 32.46 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2021, and each assessment year thereafter, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 32.46 mills.

TAXABLE GRAND LIST

($ in Thousands)

Grand List Dated	Real Property	Personal Property	Motor Vehicle Property	Gross Taxable Grand List	Less Exemption	Net Taxable Grand List
10/01/25	$3,822,493	$158,861	$278,563	$4,259,917	$52,977	$4,206,940
10/01/24	3,799,170	156,753	263,484	4,219,407	37,340	4,182,067
10/01/23	3,795,492	146,108	270,617	4,212,217	39,743	4,172,474
10/01/22 [1]	3,777,350	140,810	284,277	4,202,437	39,324	4,163,113
10/01/21	2,754,872	132,900	266,351	3,154,123	33,263	3,120,860
10/01/20	2,753,870	128,478	210,986	3,093,334	29,265	3,064,069
10/01/19	2,736,816	116,508	199,368	3,052,692	27,422	3,025,270
10/01/18	2,724,858	91,341	194,858	3,011,057	23,437	2,987,620
10/01/17 [1]	2,707,736	99,200	189,488	2,996,424	24,505	2,971,919
10/01/16	2,831,993	92,208	188,610	3,112,811	24,481	3,088,330

[1] *Revaluation.*

($ in Thousands)

Grand List Dated	Residential Property	Industrial & Commercial Property	Other Property	Total Real Property
10/01/25	$ 3,501,652	$ 283,760	$ 37,081	$ 3,822,493
10/01/24	3,471,135	282,799	45,236	3,799,170
10/01/23	3,455,729	291,671	48,092	3,795,492
10/01/22 [1]	3,439,166	291,058	47,126	3,777,350
10/01/21	2,495,156	238,104	21,612	2,754,872
10/01/20	2,482,227	250,081	21,562	2,753,870
10/01/19	2,468,181	246,976	21,659	2,736,816
10/01/18	2,452,390	247,345	25,123	2,724,858
10/01/17 [1]	2,443,640	241,389	22,707	2,707,736
10/01/16	2,583,176	227,077	21,740	2,831,993

[1] *Revaluation.*

Source: Town of Guilford Finance Department; Assessor' Office.

[The remainder of this page intentionally left blank]

LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	Grand List of October 1, 2025 Taxable Value	Rank	Percent of Total
Eversource Energy....................................	Utility.............................	$ 48,102,500	1	1.14%
HRP Guilford LLC....................................	Real Estate.....................	20,631,260	2	0.49%
Guilford Healthcare Investors LLC.........	Real Estate.....................	14,927,150	3	0.36%
Winterfell Gables (CT) Owner LLC........	Real Estate.....................	10,150,000	4	0.24%
Yale New Haven Hospital.........................	Real Estate.....................	9,670,010	5	0.23%
Shoreline Plaza LLC.................................	Real Estate.....................	9,337,650	6	0.22%
CT Water Co Inc.......................................	Utility.............................	8,372,960	7	0.20%
NPNC LLC..	Real Estate.....................	8,078,420	8	0.19%
2455 Boston Post Road Assoc LLC........	Real Estate.....................	7,798,350	9	0.19%
Post Road Equipment Finance SPVLLC.	Real Estate.....................	7,281,750	10	0.17%
	Total	$144,350,050		3.43%

Source: Town of Guilford, Assessor's Office.

PROPERTY TAX LEVIES AND COLLECTIONS

Grand List Dated	Fiscal Year Ending 30-Jun	Net Taxable Grand List ($000)	Total Tax Rate (In Mills)	Adjusted Tax Levy	Collected End of Each FY	Uncollected Taxes Each FY	Uncollected Taxes As of 6/30/2026 [1]
2025	2027 [2]	$4,206,940	28.40	$118,240,926	n/a	In process	In process
2024	2026 [1]	4,182,067	27.65	110,866,154	99.5 %	$543,321	$ 543,321
2023	2025	4,172,474	26.58	109,578,838	99.4	680,949	183,897
2022 [3]	2024	4,163,113	25.88	107,179,046	99.4	690,927	45,595
2021	2023	3,120,860	33.25	103,972,343	99.4	648,835	19,196
2020	2022	3,064,069	32.62	99,863,868	99.5	512,408	16,796
2019	2021	3,025,270	32.31	97,746,474	99.3	699,632	35,479
2018	2020	2,987,620	32.03	95,621,594	99.4	556,691	32,385
2017 [3]	2019	2,971,919	31.28	92,424,421	99.6	361,284	34,198
2016	2018	3,088,330	29.36	90,004,270	99.5	479,198	21,651

[1] *Unaudited estimate.*

[2] *Adopted budget.*

[3] *Revaluation.*

Source: Town of Guilford, Finance Department; Annual Financial Statements

[The remainder of this page intentionally left blank]

EQUALIZED NET GRAND LIST

Grand List of 10/1	Equalized Net Grand List	% Growth
2024	$ 7,587,151,574	6.01%
2023	7,157,011,466	20.27%
2022 [1]	5,950,793,614	-2.49%
2021	6,102,593,949	10.31%
2020	5,532,183,161	13.59%
2019	4,870,370,408	3.05%
2018	4,726,265,503	11.30%
2017 [1]	4,246,530,456	-7.26%
2016	4,579,186,937	2.25%
2015	4,478,517,998	1.00%

[1] *Revaluation year. In the year of revaluation, the methodology utilized by the State of Connecticut to estimate the Equalized Net Grand List does include developing a ratio of actual property sale values to their individual assessed values as it does in non-revaluation years.*

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

[The remainder of this page intentionally left blank]

ACCOUNTING POLICIES

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

BASIS OF ACCOUNTING

See Note 1 "Measurement Focus, Basis of Accounting and Financial Statement Presentation" in the Notes to Financial Statements (Appendix A).

AUDIT

The Town, pursuant to local ordinance and provisions of the Connecticut General Statutes, is required to undergo an annual audit by an independent public accountant. The auditor, currently CBIZ of Providence, Rhode Island, has been appointed by the Board of Finance, and is required to conduct the audit under the guidelines outlined by the Office of Policy and Management, which also receives a copy of the audit report when completed.

The most recent annual audit covers the fiscal year ended June 30, 2025, a portion of which is included in this document and made a part hereof as Appendix A. Included in Appendix A are the Town's Basic Financial Statements, Notes to the Financial Statements and Required Supplemental Information, together with the report of the independent auditor as prepared by Clifton Larson Allen LLP, Certified Public Accountants. The information contained in "Appendix A" is not the whole audit report. Individuals wishing a complete document should contact the Director of Finance of the Town of Guilford, Connecticut.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Town of Guilford has received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association ("GFOA") of the United States and Canada for its annual report for fiscal years ending June 30, 1997 through June 30, 2024. The Town has applied for the Certificate of Achievement for its fiscal year ending June 30, 2025 annual report which is currently under review by the GFOA. To be eligible for the award, financial reports must include general purpose financial statements presented in conformity with GAAP, and have been audited in accordance with generally accepted auditing standards. The reports also contain statistical information useful in evaluating the financial condition of a government and conforms to certain generally accepted formatting standards established for the Certificate Program.

BUDGETARY PROCEDURE

The process of compiling the annual budget begins in December when guidelines are provided to individual Boards and Commissions. Budget requests are submitted in early January and a series of meetings are held with representatives of appropriate boards reviewing them. Sources of revenue other than property taxes are also analyzed. The Board of Finance makes preliminary budget determinations in March. They are presented at the Public Hearing in March for discussion and comment by residents. The Board of Finance then makes any adjustments it considers appropriate and approves a final budget plan which is presented at the Town Meeting in April. The 2026-27 budget was approved at referendum on June 16, 2026.

EMPLOYEE PENSION SYSTEMS

The Town has three single employer defined benefit pension plans, the Town of Guilford Public Employees’ Pension Plan, the Town of Guilford Police Retirement Plan and the Public School Employees' (Non-Certified) Pension Plan. All full-time employees, other than members of the State of Connecticut Teachers' Retirement System, Police Retirement Plan, Public Works employees covered under the Teamsters Union, and Non-certified school employees, were eligible to participate in the Town of Guilford Pension Plan. Town plans are trustee contributory pension plans funded annually in an amount recommended by an actuary. This amount includes normal cost plus interest on the initial past service.

Effective July 1, 2011, the Town established a new 401(a) Defined Contribution Plan for new hires of certain collective bargaining units. Over time, all three defined benefit pension plans were closed to new hires. The Guilford Public Employees’ Pension Plan has been closed to new employees, depending on bargaining unit, effective July 1, 2011 and July 1, 2015. The Guilford Police Retirement Plan was closed to new employees effective January 1, 2014. The Public School Employees' (Non-

Certified) Pension Plan was closed to new employees, depending on bargaining unit, effective September 1, 2011, December 15, 2011, July 1, 2013, October 1, 2013 and December 1, 2014.

Management of the pension plans rests with a Pension Committee of not less than three nor more than five members who shall be appointed by the Board of Selectmen. Members of the Pension Committee shall serve for four-year terms. One of the Pension Committee members shall be designated Chairman by the Board of Selectmen.

In accordance with Government Accounting Standards Board's (GASB) Statement No. 67, the components of the net pension liability of the Town plans as of June 30, 2025 were as follows:

	Town Employees' Pension Plan	Police Retirement Plan	Public School Employees' Pension Plan
Total pension liability....................	$ 46,042,294	$ 36,145,972	$ 18,845,125
Plan fiduciary net position............	42,546,415	29,706,020	14,383,508
Net pension liability......................	$ 3,495,879	$ 6,439,952	$ 4,461,617
Plan fiduciary net position as a % of total pension liability............	92.41%	82.18%	76.32%

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

	1% Decrease 4.75%	Current Discount Rate 5.75%	1% Increase 6.75%
Town Employees' Pension Plan.................	$ 9,083,959	$ 3,495,879	$ (1,177,692)
Police Retirement Plan..............................	10,648,587	6,439,952	2,944,870
Public School Employees' Pension Plan...	6,492,314	4,461,617	2,721,712

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

Schedule of Funding Progress

Plan Year	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Town Employees' Pension Plan						
2025	$ 41,184,893	$ 44,572,938	$ 3,388,045	92.4%	$ 4,647,598	72.9%
2024	38,692,166	44,523,784	5,831,618	86.9%	4,690,513	124.3%
2023	36,697,370	43,050,060	6,352,690	85.2%	4,785,801	132.7%
2022	35,001,284	41,188,265	6,186,981	85.0%	5,111,099	121.0%
2021	32,895,301	39,601,235	6,705,934	83.1%	5,171,286	129.7%

Plan Year	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Police Retirement Plan						
2025	$ 28,798,318	$ 34,706,865	$ 5,908,547	83.0%	$ 1,604,383	368.3%
2024	27,779,661	35,998,030	8,218,369	77.2%	1,541,152	533.3%
2023	27,177,607	35,600,511	8,422,904	76.3%	1,586,701	530.8%
2022	26,766,845	34,014,275	7,247,430	78.7%	1,752,103	413.6%
2021	26,093,052	33,058,446	6,965,394	78.9%	2,130,721	326.9%
Public School Employees' Pension Plan						
2025	$ 14,045,734	$ 18,199,650	$ 4,153,916	77.2%	$ 2,531,351	164.1%
2024	13,512,454	18,809,117	5,296,663	71.8%	2,705,299	195.8%
2023	13,156,056	18,684,645	5,528,589	70.4%	2,767,219	199.8%
2022	13,393,372	18,832,379	5,439,007	71.1%	3,142,011	173.1%
2021	13,757,750	19,174,269	5,416,519	71.8%	3,326,489	162.8%

Schedule of Employer Contributions

	Town Employees'		Police Retirement		Public Schools Employees'	
Fiscal Year Ended	Actuarially Determined Contribution	Percentage Contributed	Actuarially Determined Contribution	Percentage Contributed	Actuarially Determined Contribution	Percentage Contributed
2027 [1]	$ 798,461	100.0%	$ 779,803	100.0%	$ 696,018	118.5%
2026 [2]	1,047,621	100.0%	949,578	101.9%	824,944	100.0%
2025	1,106,698	100.0%	967,882	100.0%	838,015	100.0%
2024	1,114,082	102.7%	849,414	106.0%	850,780	102.4%
2023	1,155,462	100.0%	876,781	100.0%	867,181	100.0%
2022	1,243,616	100.0%	915,379	100.0%	887,241	100.4%

[1] *Adopted budget.*

[2] *Unaudited estimate.*

Source: Actuarial Reports; Town of Guilford, Department of Finance.

For further information regarding Pension Plans, fund information and other relevant information, see "Appendix A" Notes to the Financial Statements, Note 4.

OTHER POST-EMPLOYMENT BENEFITS

The Town provides medical, dental and life insurance benefits to eligible retirees and their spouses in accordance with various union contracts. The plan covers Town, Police and Fire employees and certified personnel of the Board of Education. The Town previously funded such benefits on a pay-as-you-go basis, however the Town established an OPEB Trust in July 2021 and made an initial contribution of $2.7 million in September 2021. The Town's most recent OPEB actuarial valuation was as of July 1, 2024. The Town's OPEB actuarial valuations are prepared every other year.

The Town implemented the Governmental Accounting Standards Board's ("GASB") Statement 74 effective for the fiscal year ending June 30, 2018. In accordance with GASB Statement 74, the net position is based on 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, 2024 measurement, the discount rate used was 6.00%. Under GASB Statement 74, the components of the Town's net OPEB liability as of June 30, 2024 were as follows:

	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Total OPEB Liability - Beginning Balance................	$ 36,029,655	$ 25,422,087	$ 15,185,832	$ 16,260,657	$ 16,485,975
Changes for the year:					
Service cost...	1,213,323	788,220	328,411	332,240	430,231
Interest on total OPEB liability...............................	813,750	556,966	900,358	963,917	984,772
Effect of plan changes...	-	-	-	-	3,110,451
Effect of economic/demographic gains or losses..	(6,249,872)	(10,727,151)	524,784	-	(1,983,167)
Changes in assumptions or other inputs.................	(5,536,787)	-	352,867	-	381,352
Benefit payments...	(847,982)	(854,290)	(1,031,595)	(1,070,839)	(1,021,586)
Net changes in Total OPEB Liability..........................	(10,607,568)	(10,236,255)	1,074,825	225,318	1,902,053
Total OPEB Liability - Ending Balance......................	25,422,087	15,185,832	16,260,657	16,485,975	18,388,028
Plan Fiduciary Net Position - Beginning Balance	-	-	2,296,764	2,579,466	3,087,941
Employer Contributions...	847,982	3,554,290	1,138,595	1,282,839	1,323,380
Net Investment income..	-	(403,236)	175,702	298,008	392,881
Benefit payments...	(847,982)	(854,290)	(1,031,595)	(1,072,372)	(1,023,250)
Net change in Plan Fiduciary Net Position................	-	2,296,764	282,702	508,475	693,011
Plan Fiduciary Net Position - Ending Balance...........	-	2,296,764	2,579,466	3,087,941	3,780,952
Net OPEB Liability - Ending......................................	$ 25,422,087	$ 12,889,068	$ 13,681,191	$ 13,398,034	$ 14,607,076

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

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
Town's Net OPEB Liability....	$ 16,765,446	$ 14,607,076	$ 12,767,589

The following represents the net OPEB liability of the Town, calculated using the current healthcare trend rate, as well as what the Town'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 healthcare trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Town's Net OPEB Liability....	$ 12,389,340	$ 14,607,076	$ 17,292,621

Source: Audited financial statements.

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

Schedule of Funding Progress

Plan Year	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2024	$ 3,087,941	$ 17,771,178	$14,683,237	17.4%	$51,303,694	28.6%
2022	2,296,764	16,018,867	13,722,103	14.3%	46,519,563	29.5%
2020	-	24,743,589	24,743,589	0.0%	44,035,991	56.2%
2018	-	26,866,417	26,866,417	0.0%	42,465,398	63.3%
2016	-	28,396,500	28,396,500	0.0%	n/a	n/a

Schedule of Employer Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Percentage Contributed
2027 [1]	$1,204,305	$1,204,305	100.0%
2026 [2]	1,559,749	1,274,714	81.7%
2025	1,603,804	1,403,091	87.5%
2024	1,539,106	1,282,839	83.3%
2023	n/a	1,138,595	n/a

[1] *Adopted budget.*

[2] *Unaudited estimate.*

Source: Actuarial Reports; Town of Guilford, Department of Finance.

In late calendar year 2021, the Town recently implemented a OPEB Funding Plan through which it intends to phase-in the net budget impact over a 5-year period starting in fiscal year 2022-23. The net budget impact is defined as the Actuarially Determined Contribution less the retiree medical costs paid directly by the Town, or "pay-as-you-go" amount.

For further information regarding Other Post-Employment Benefits see "Appendix A" Notes to the Financial Statements.

INVESTMENT POLICIES AND PROCEDURES

Under the Town Charter and under Connecticut General Statutes Sections 7-400, 7-401 and 7-402, the Town may invest in (a) obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the federal home loan banks, all the federal land banks, the Tennessee Valley Authority, or any other agency of the United States government, (b) certain mutual funds and money market mutual funds investing in such obligations or repurchase agreements fully collateralized by such obligations and (c) certain state and municipal bonds and notes, and may make deposits with certain "qualified public depositories".

The Town's investment practices have been to invest only in the following investments: (1) certificates of deposits; (2) overnight repurchase agreements collateralized by U. S. government agency obligations which are priced daily; and (3) the State of Connecticut Short-Term Investment Fund ("STIF").

All Town pension funds are invested in mutual funds and securities, by pension fund administrators. Board of Education pension funds are invested in a cost sharing, multiple employer public employees' retirement system established by the State of Connecticut and administered by the State of Connecticut Retirement Commission to provide pension benefits for the employees of participating municipalities. For further description of the Town's Pension Plans, see Appendix A herein.

[The remainder of this page intentionally left blank]

PROPERTY TAX REVENUES

Fiscal Year	General Fund Revenues	Property Tax Revenues	Property Taxes as a % of General Fund Revenues
2027 [1]	$ 127,963,203	$ 119,244,860	93.2%
2026 [2]	124,782,921	116,394,719	93.3%
2025	128,501,134	110,143,542	85.7%
2024	127,976,062	106,969,624	83.6%
2023	122,948,686	104,472,241	85.0%
2022	116,824,232	100,198,013	85.8%
2021	113,934,193	97,519,029	85.6%
2020	112,327,104	95,516,191	85.0%
2019	105,635,992	92,636,319	87.7%
2018	109,041,498	90,221,589	82.7%

[1] *Adopted Budget, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

[2] *Unaudited estimate, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

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

INTERGOVERNMENTAL REVENUES

Fiscal Year	General Fund Revenues	Intergovernmental Revenue	Intergovernmental Revenue % of General Fund Revenue
2027 [1]	$ 127,963,203	$ 3,003,790	2.3%
2026 [2]	124,782,921	3,044,270	2.4%
2025	128,501,134	13,169,807	10.2%
2024	127,976,062	15,176,369	11.9%
2023	122,948,686	13,887,315	11.3%
2022	116,824,232	12,773,446	10.9%
2021	113,934,193	12,704,876	11.2%
2020	112,327,104	13,686,149	12.2%
2019	105,635,992	8,629,101	8.2%
2018	109,041,498	16,046,377	14.7%

[1] *Adopted Budget, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

[2] *Unaudited estimate, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

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

EXPENDITURES

Fiscal Year	Education	Public Safety	Pension & Benefits	General Government	Debt Service
2027 [1]	60.8%	10.9%	8.0%	5.3%	8.0%
2026 [2]	60.6%	10.9%	7.7%	5.2%	8.3%
2025	63.3%	9.5%	6.9%	4.7%	8.9%
2024	62.4%	10.0%	6.7%	4.7%	8.6%
2023	62.8%	9.8%	7.1%	4.5%	8.4%
2022	61.0%	9.4%	7.8%	4.7%	8.8%
2021	63.1%	9.9%	7.0%	4.6%	9.3%
2020	63.7%	9.6%	7.0%	4.5%	9.3%
2019	57.9%	8.9%	6.3%	4.4%	8.4%
2018	65.7%	9.0%	6.4%	4.4%	8.0%

[1] *Adopted Budget, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

[2] *Unaudited estimate, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

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

[The remainder of this page intentionally left blank]

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	$110,286,588	$110,143,540	$ (143,048)	$116,394,719	$119,244,860
Intergovernmental revenue	3,263,524	2,887,490	(376,034)	3,044,270	3,003,790
Other local revenues	4,380,112	5,190,182	810,070	5,343,932	5,714,553
TOTAL REVENUES	117,930,224	118,221,212	290,988	124,782,921	$127,963,203
EXPENDITURES					
Current:					
General government	6,094,930	6,034,723	60,207	6,323,186	$ 6,752,086
Public safety	13,164,872	13,163,915	957	13,405,215	13,906,357
Public works	3,632,487	3,607,076	25,411	3,657,199	3,891,473
Health and welfare	1,490,192	1,486,860	3,332	1,648,594	1,731,835
Culture and recreation	2,341,168	2,341,058	110	2,368,723	2,588,513
Education	70,971,520	70,971,520	-	74,383,590	77,680,359
Pension & employee benefits	8,822,311	8,822,291	20	9,422,266	10,201,517
Debt service	10,166,847	10,166,845	2	10,166,846	10,166,847
Capital outlay......................................	1,711,249	1,631,183	80,066	1,318,095	949,216
TOTAL EXPENDITURES	118,395,576	118,225,471	170,105	122,693,714	127,868,203
Excess (deficiency) of revenues over expenditures............................	(465,352)	(4,259)	461,093	2,089,207	95,000
Other financing uses:					
Appropriation of Fund Balance.......	550,352	-	(550,352)	-	-
Operating transfers in		-	-	-	-
Operating transfers out	(85,000)	(85,000)	-	(85,000)	(95,000)
Total other financing sources (uses):	465,352	(85,000)	(550,352)	(85,000)	(95,000)
Excess (deficiency) of revenues over expenditures, other uses before continuing appropriations	$ -	$ (89,259)	$ (89,259)	$ 2,004,207	$ -

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

COMPARATIVE GENERAL FUND BALANCE SHEET

	2021	2022	2023	2024	2025
ASSETS					
Cash and cash equivalents	$20,825,810	$17,051,033	$ 10,124,856	$ 5,511,619	$ 14,786,674
Investments	-	-	7,916,460	8,460,778	5,433,792
Property taxes receivable, net	1,417,667	1,133,224	1,449,727	3,860,768	1,595,527
Due from other governments	160,475	145,125	235,669	-	1,469,424
Other receivables, net	1,775,468	326,185	890,737	-	317,498
Due from other funds	7,476,769	11,077,017	10,518,515	13,317,608	12,527,538
Other assets	-	-	-	-	-
Prepaid items	22,025	26,679	206,526	239,885	17,924
TOTAL ASSETS	$31,678,214	$29,759,263	$ 31,342,490	$31,390,658	$36,148,377
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued items	$ 4,010,857	$ 3,893,745	$ 4,092,934	$ 5,316,855	$ 6,318,973
Due to other funds	1,677,852	2,345,297	1,363,988	705,609	-
Unearned revenue	-	-	27,165	17,215	-
TOTAL LIABILITIES	5,688,709	6,239,042	5,484,087	6,039,679	6,318,973
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	1,071,042	1,055,370	948,980	1,544,761	4,343,680
Advance property tax collections	3,790,154	1,456,138	1,740,997	268,120	1,406,181
TOTAL DEFERRED INFLOWS OF RESOURCES	4,861,196	2,511,508	2,689,977	1,812,881	5,749,861
FUND BALANCES					
Nonspendable	22,025	26,679	206,526	239,885	17,924
Restricted	397,447	551,112	663,125	813,139	962,064
Committed	6,411,272	6,147,145	6,631,974	6,563,051	5,645,850
Assigned	2,508,232	1,548,603	1,460,947	1,832,089	2,412,528
Unassigned	11,789,333	12,735,174	14,205,854	14,089,934	15,041,177
TOTAL FUND BALANCES	21,128,309	21,008,713	23,168,426	23,538,098	24,079,543
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES FUND BALANCES	$31,678,214	$29,759,263	$ 31,342,490	$31,390,658	$36,148,377

Source: Annual audited financial statements.

GENERAL FUND EQUITY

	Actual 2020-21	Actual 2021-22	Actual 2022-23	Actual 2023-24	Actual 2024-25
Nonspendable	$ 22,025	$ 26,679	$ 206,526	239,885	17,924
Restricted	397,447	551,112	663,125	813,139	962,064
Committed	6,411,272	6,147,145	6,631,974	6,563,051	5,645,850
Assigned	2,508,232	1,548,603	1,460,947	1,832,089	2,412,528
Unassigned	11,789,333	12,735,174	14,205,854	14,089,934	15,041,177
Total Fund Balance	**$ 21,128,309**	**$ 21,008,713**	**$ 23,168,426**	**$ 23,538,098**	**$ 24,079,543**
Unassigned Fund Balance As % of Total Revenues	10.35%	10.90%	11.55%	11.01%	11.69%

Source: Annual audited financial statements.

COMPARATIVE GENERAL FUND REVENUES AND EXPENDITURES

	2021	2022	2023	2024	2025
REVENUES					
Property taxes, interest					
and liens fees	$ 97,519,029	$ 100,198,013	$104,472,241	$106,969,624	$110,143,542
Intergovernmental revenue	12,704,876	12,773,446	13,887,315	15,176,369	13,169,807
Charges for services	-	3,773,749	3,622,639	4,035,584	4,209,826
Other local revenues	3,710,288	79,024	966,491	1,794,485	977,959
TOTAL REVENUES	113,934,193	116,824,232	122,948,686	127,976,062	128,501,134
EXPENDITURES					
Current:					
General government	5,137,027	5,621,643	5,452,309	5,914,521	6,046,695
Public safety	11,121,931	11,137,287	11,889,178	12,684,893	12,230,978
Public works	3,026,546	3,311,748	3,329,754	3,431,422	3,417,739
Health and welfare	1,069,431	1,149,604	1,204,933	1,499,648	1,467,712
Culture and recreation	1,916,100	2,125,627	2,204,092	2,387,395	2,336,553
Education	70,941,043	72,459,280	76,321,251	79,181,604	81,189,892
Pension and employee benefits	7,852,970	9,307,623	8,615,074	8,507,776	8,822,291
Debt service:					
Principal retirement	7,416,808	7,160,345	6,966,006	7,683,132	8,289,873
Interest	3,074,682	3,291,799	3,293,728	3,175,007	3,079,380
Capital outlay	339,893	3,089,622	2,302,850	2,517,282	1,292,855
TOTAL EXPENDITURES	111,896,431	118,654,578	121,579,175	126,982,680	128,173,968
Excess (deficiency) of revenues					
over expenditures	2,037,762	(1,830,346)	1,369,511	993,382	327,166
Other financing sources (uses):					
Proceeds of refunding bonds	-	18,015,000	-	-	
Premium on issuance of debt	538,182	3,418,949	428,914	463,182	416,860
Payment to escrow agent	-	(20,920,685)	-	-	
Note issue procceds	-	1,332,486	575,000	-	
Capital lease proceeds	-	-	202,609	-	
Operating transfers in	-	-	-	-	150,631
Operating transfers out	(469,458)	(135,000)	(416,321)	(1,086,892)	(353,212)
Total other financing sources (uses)	68,724	1,710,750	790,202	(623,710)	214,279
Excess (deficiency) of revenues					
and other financing sources over					
expenditures and other uses	2,106,486	(119,596)	2,159,713	369,672	541,445
Fund Balance - Beginning of year	19,021,823 [1]	21,128,309	21,008,713	23,168,426	23,538,098
Fund Balance - End of year	$ 21,128,309	$ 21,008,713	$ 23,168,426	$ 23,538,098	$ 24,079,543

[1] *Restated to include the Volunteer Fire Fighter fund in the General Fund.*

Source: Annual audited financial statements.

PRINCIPAL AMOUNT OF INDEBTEDNESS

Pro Forma as of October 7, 2026

Long-Term Debt

Date of Issue	Issue	Coupon Rate %	Original Issue Amount	Debt Outstanding Including *This Issue*	Final Maturity
General Purpose					
3/24/2016	General Purpose, Refunding	2.00-5.00	$ 9,895,000	$ 2,778,000	2031
8/8/2018	General Purpose	2.00-5.00	5,688,651	2,817,500	2039
8/7/2019	General Purpose, Series A	2.00-5.00	400,503	273,000	2040
6/24/2020	General Purpose, Refunding	3.00-5.00	4,566,000	1,072,000	2029
8/6/2020	General Purpose	2.00-5.00	1,005,000	667,000	2040
8/5/2021	General Purpose	2.00-5.00	660,846	495,000	2041
9/28/2021	General Purpose, Refunding	2.00-5.00	4,815,000	2,241,000	2035
12/31/2021	State of Connecticut, Drinking Water Fund Loan	2.00	2,955,081	2,338,968	2041
8/4/2022	General Purpose	3.50-5.00	744,800	591,000	2037
8/3/2023	General Purpose	3.00-5.00	3,250,025	2,820,000	2038
8/2/2024	General Purpose	4.00-5.00	2,299,638	2,179,000	2044
8/14/2025	General Purpose	4.00-5.00	138,700	138,700	2045
10/7/2026	*General Purpose (This Issue)*	*TBD*	3,816,779	3,816,779	2046
	Total		**$ 40,236,023**	**$ 22,227,947**	
Schools					
3/24/2016	Schools, Refunding	2.00-5.00	$ 4,710,000	$ 1,542,000	2031
8/10/2016	Schools	2.00-4.00	15,630,000	8,205,000	2037
8/9/2017	Schools	2.00-5.00	7,000,000	4,040,000	2038
8/8/2018	Schools	2.00-5.00	6,311,349	3,772,500	2039
8/7/2019	Schools, Series A	2.00-5.00	2,799,497	1,842,000	2040
8/7/2019	Schools, Series B	2.50-3.00	850,000	255,000	2030
6/24/2020	Schools, Refunding	3.00-5.00	18,854,000	9,488,000	2035
8/6/2020	Schools	2.00-5.00	1,995,000	1,458,000	2040
8/5/2021	Schools	2.00-5.00	2,339,154	1,835,000	2041
9/28/2021	Schools, Refunding	2.00-5.00	13,200,000	8,684,000	2035
8/4/2022	Schools	3.50-5.00	3,255,200	2,574,000	2037
8/3/2023	Schools	3.00-5.00	1,749,975	1,500,000	2038
8/2/2024	Schools	4.00-5.00	2,700,362	2,556,000	2044
8/14/2025	Schools	4.00-5.00	6,861,300	6,861,300	2045
10/7/2026	*Schools (This Issue)*	*TBD*	1,183,221	1,183,221	2046
	Total		**$ 89,439,058**	**$ 55,796,021**	
	Total Long-term Debt		**$ 129,675,081**	**$ 78,023,968**	

COMBINED SCHEDULE OF LONG-TERM DEBT
(BONDED DEBT & DRINKING WATER FUND LOANS)
As of October 7, 2026 (Pro Forma)

Fiscal Year	Existing Indebtedness Principal Payments	Existing Indebtedness Interest Payments	Existing Indebtedness Total Debt Service	*The Bonds* Principal Payments	Total Principal Payments
2026-27 [1]	$ 101,050	$ 1,348,494	$ 1,449,544	$ -	$ 101,050
2027-28	8,457,111	2,494,981	10,952,093	-	8,457,111
2028-29	8,509,879	2,136,645	10,646,524	275,000	8,784,879
2029-30	7,517,702	1,802,559	9,320,261	275,000	7,792,702
2030-31	7,485,583	1,494,522	8,980,105	275,000	7,760,583
2031-32	5,793,521	1,228,481	7,022,002	275,000	6,068,521
2032-33	5,801,519	1,023,999	6,825,518	270,000	6,071,519
2033-34	5,784,577	838,200	6,622,777	270,000	6,054,577
2034-35	5,662,697	662,945	6,325,643	270,000	5,932,697
2035-36	4,465,880	515,896	4,981,777	270,000	4,735,880
2036-37	3,454,128	397,852	3,851,980	270,000	3,724,128
2037-38	2,642,440	301,002	2,943,443	270,000	2,912,440
2038-39	2,015,820	225,047	2,240,868	270,000	2,285,820
2039-40	1,204,268	173,806	1,378,074	270,000	1,474,268
2040-41	1,067,786	137,863	1,205,649	270,000	1,337,786
2041-42	820,004	106,031	926,036	270,000	1,090,004
2042-43	625,000	79,381	704,381	240,000	865,000
2043-44	625,000	54,153	679,153	240,000	865,000
2044-45	625,000	28,469	653,469	240,000	865,000
2045-46	365,000	7,756	372,756	240,000	605,000
2046-47	-	-	-	240,000	240,000
Total	$ 73,023,968	$15,058,083	$ 88,082,050	$ 5,000,000	$78,023,968

[1] *Excludes $7,928,348 in principal payments and $1,492,369 in interest payments made as of October 7, 2026.*

Source: Town of Guilford, Finance Department.

Note: Totals may not sum due to rounding.

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

[The remainder of this page intentionally left blank]

SCHEDULE OF GENERAL FUND BONDED DEBT
As of October 7, 2026 (Pro Forma)

Fiscal Year	Existing Indebtedness Principal Payments	Existing Indebtedness Interest Payments	Existing Indebtedness Total Debt Service	*The Bonds* Principal Payments	Total Principal Payments
2026-27 [1]	$ -	$ 1,314,081	$ 1,314,081	$ -	$ -
2027-28	8,320,000	2,451,475	10,771,475	-	8,320,000
2028-29	8,370,000	2,095,906	10,465,906	275,000	8,645,000
2029-30	7,375,000	1,764,644	9,139,644	275,000	7,650,000
2030-31	7,340,000	1,459,488	8,799,488	275,000	7,615,000
2031-32	5,645,000	1,196,384	6,841,384	275,000	5,920,000
2032-33	5,650,000	994,900	6,644,900	270,000	5,920,000
2033-34	5,630,000	812,159	6,442,159	270,000	5,900,000
2034-35	5,505,000	640,025	6,145,025	270,000	5,775,000
2035-36	4,305,000	496,159	4,801,159	270,000	4,575,000
2036-37	3,290,000	381,363	3,671,363	270,000	3,560,000
2037-38	2,475,000	287,825	2,762,825	270,000	2,745,000
2038-39	1,845,000	215,250	2,060,250	270,000	2,115,000
2039-40	1,030,000	167,456	1,197,456	270,000	1,300,000
2040-41	890,000	135,031	1,025,031	270,000	1,160,000
2041-42	775,000	105,881	880,881	270,000	1,045,000
2042-43	625,000	79,381	704,381	240,000	865,000
2043-44	625,000	54,153	679,153	240,000	865,000
2044-45	625,000	28,469	653,469	240,000	865,000
2045-46	365,000	7,756	372,756	240,000	605,000
2046-47	-	-	-	240,000	240,000
Total	$ 70,685,000	$14,687,788	$ 85,372,788	$ 5,000,000	$75,685,000

[1] *Excludes $7,895,000 in principal payments and $1,480,563 in interest payments made as of October 7, 2026.*

Source: Town of Guilford, Finance Department.

Note: Totals may not sum due to rounding.

[The remainder of this page intentionally left blank]

SCHEDULE OF STATE OF CONNECTICUT DRINKING WATER STATE REVOLVING FUND LOAN
As of October 7, 2026 (Pro Forma)

	Existing Indebtedness		
Fiscal Year	**Principal Payments**	**Interest Payments**	**Total Debt Service**
2026-27 [1]	$ 101,050	$ 34,413	$ 135,463
2027-28	137,111	43,506	180,618
2028-29	139,879	40,739	180,618
2029-30	142,702	37,915	180,618
2030-31	145,583	35,035	180,618
2031-32	148,521	32,096	180,618
2032-33	151,519	29,098	180,618
2033-34	154,577	26,040	180,618
2034-35	157,697	22,920	180,618
2035-36	160,880	19,737	180,618
2036-37	164,128	16,490	180,618
2037-38	167,440	13,177	180,618
2038-39	170,820	9,797	180,618
2039-40	174,268	6,349	180,618
2040-41	177,786	2,832	180,618
2041-42	45,004	150	45,154
Total	$ 2,338,968	$ 370,295	$ 2,709,263

[1] *Excludes $33,348 in principal payments and $11,806 in interest payments made as of October 7, 2026.*

Source: Town of Guilford, Finance Department.

Note: Totals may not sum due to rounding.

[The remainder of this page intentionally left blank]

COMPUTATION OF STATUTORY DEBT LIMITATION

Pro Forma as of October 7, 2026

Total fiscal year 2025 tax collections (including interest and lien fees) [1]	$	109,871,522
State Reimbursement for Revenue Loss on Tax Relief for the Elderly		13,445
Base for Establishing Debt Limit	$	109,884,967

Debt Limitation	**General Purpose**	**Schools**	**Sewers**	**Urban Renewal**	**Pension Deficit**	**Total Debt**
(2.25 times base)...........................	$ 247,241,176					
(4.50 times base)...........................		$ 494,482,351				
(3.75 times base)...........................			$ 412,068,626			
(3.25 times base)...........................				$ 357,126,143		
(3.00 times base)...........................					$ 329,654,901	
(7.00 times base)...........................						$769,194,769
Indebtedness (Including *This Issue*)						
Bonds Payable..................................	$ 16,072,200 [2]	$ 54,612,800	$ -	$ -	$ -	$ 70,685,000
The Bonds (This Issue)....................	3,816,779	1,183,221	-	-	-	5,000,000
Authorized but Unissued Debt...............................	19,259,559	10,626,978	-	-	-	29,886,537
Gross Direct Debt.............................	39,148,538	66,422,999	-	-	-	105,571,537
School grants receivable	-	-	-	-	-	-
Underlying Debt................................	-	-	-	-	-	-
Net Direct and Underlying Debt.....	39,148,538	66,422,999	-	-	-	105,571,537
Excess of Limit Over Outstanding and Authorized Debt......................	$208,092,638	$428,059,352	$412,068,626	$357,126,143	$329,654,901	$663,623,232

[1] *Excludes tax collections of Coterminous Municipalities located within the Town of Guilford which have the power to issue debt or cause taxes to be levied on taxable property. See "Underlying Indebtedness" herein.*

[2] *Pursuant to Connecticut General Statutes Section 7-374, excludes $2,338,968 in State of Connecticut Department of Public Heath Drinking Water State Revolving Fund Project Loan Obligation that was used to finance a water main extension to coastal areas in Town. The loan will be repaid from assessments levied on the benefiting property owners. (See "Mulberry Point Water Main Extension" herein).*

Source: Town of Guilford, Finance Department.

[The remainder of this page intentionally left blank]

DEBT STATEMENT

Pro Forma as of October 7, 2026

Bonded Indebtedness [1]	
The Bonds (This Issue)	$ 5,000,000
General Improvement	16,072,200
Schools	54,612,800
Total Bonded Indebtedness	75,685,000
Short-Term Indebtedness	
State of Connecticut Drinking Water Revolving Fund Project Loan Obligation [2]	2,338,968
Total Direct Indebtedness	78,023,968
Exclusions: (Self-supporting Water Debt)	(2,338,968)
Net Direct Indebtedness	75,685,000
Underlying Indebtedness	-
Net Direct Plus Underlying Indebtedness	$ 75,685,000

[1] *Does not include authorized but unissued debt of $29886,537.*

[2] *In December 2021 the Town entered into a Project Loan Obligation ("PLO") with the State of Connecticut Department of Public Heath Drinking Water State Revolving Fund to finance a water main extension to coastal areas in Town. The PLO will be repaid from assessments levied on the benefiting property owners. As of the October 7, 2026, the outstanding balance on the PLO is $2,338,968. (See "Mulberry Point Water Main Extension" herein).*

CURRENT DEBT RATIOS

Pro Forma as of October 7, 2026

Total Direct Indebtedness	$ 78,023,968
Net Direct Indebtedness	$ 75,685,000
Net Direct Plus Underlying Indebtedness	$ 75,685,000
Population [1]	22,108
Net Taxable Grand List (10/1/25)	$4,206,940,000
Estimated Full Value	$6,009,914,286
Equalized Net Taxable Grand List (2024) [2]	$7,587,151,574
Per Capita Income [1]	$ 73,138
Total Direct Debt:	
Per Capita	$3,529.22
To Net Taxable Grand List	1.85%
To Estimated Full Value	1.30%
To Equalized Net Taxable Grand List	1.03%
Per Capita to Per Capita Income	4.83%
Net Direct Debt:	
Per Capita	$3,423.42
To Net Taxable Grand List	1.80%
To Estimated Full Value	1.26%
To Equalized Net Taxable Grand List	1.00%
Per Capita to Per Capita Income	4.68%
Net Direct Plus Underlying Indebtedness:	
Per Capita	$3,423.42
To Net Taxable Grand List	1.80%
To Estimated Full Value	1.26%
To Equalized Net Taxable Grand List	1.00%
Per Capita to Per Capita Income	4.68%

[1] *Census Bureau, American Community Survey, 2020-2024*

[2] *Office of Policy and Management, State of Connecticut*

HISTORICAL DEBT STATEMENT

	2025–26 [1]	2024–25	2023–24	2022–23	2021–22
Population [2] ………………………	22,108	22,108	22,108	22,037	22,046
Net taxable grand list	$4,182,067,000	$4,172,474,000	$4,163,113,000	$3,120,860,000	$3,064,069,000
Estimated full value	$5,974,381,429	$5,960,677,143	$5,947,304,286	$4,458,371,429	$4,377,241,429
Equalized net taxable grand list [3] …	$7,587,151,574	$7,157,011,466	$5,950,793,614	$6,102,593,949	$5,532,183,161
Per capita income [2] ……………….	$73,138	$73,138	$73,138	$70,909	$ 70,609
Short-term debt	$ -	$ -	$ 2,650,000	$ 2,650,000	$ 2,650,000
Long-term debt	$ 80,952,316	$ 81,128,346	$ 83,918,189	$ 85,639,057	$ 88,813,258
Total Direct Indebtedness	$ 80,952,316	$ 81,128,346	$ 86,568,189	$ 88,289,057	$ 91,463,258
Net Direct Indebtedness	$ 80,952,316	$ 81,128,346	$ 86,568,189	$ 88,289,057	$ 91,463,258
Net Direct Plus Underlying Indebtedness	$ 80,952,316	$ 81,128,346	$ 86,568,189	$ 88,289,057	$ 91,463,258

[1] *Unaudited estimate*

[2] *U.S. Census Bureau, 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.....................................	$3,661.68	$3,669.64	$3,915.70	$4,006.40	$4,148.75
To net taxable grand list...............	1.94%	1.94%	2.08%	2.83%	2.99%
To estimated full value................	1.35%	1.36%	1.46%	1.98%	2.09%
To equalized net taxable grand list...................................	1.07%	1.13%	1.45%	1.45%	1.65%
Debt per capita to per capita income......................................	5.01%	5.02%	5.35%	5.65%	5.88%
Net Direct Indebtedness:					
Per capita.....................................	$3,661.68	$3,669.64	$3,915.70	$4,006.40	$4,148.75
To net taxable grand list...............	1.94%	1.94%	2.08%	2.83%	2.99%
To estimated full value................	1.35%	1.36%	1.46%	1.98%	2.09%
To equalized net taxable grand list...................................	1.07%	1.13%	1.45%	1.45%	1.65%
Debt per capita to per capita income......................................	5.01%	5.02%	5.35%	5.65%	5.88%
Net Direct Plus Underlying Indebtedness:					
Per capita.....................................	$3,661.68	$3,669.64	$3,915.70	$4,006.40	$4,148.75
To net taxable grand list...............	1.94%	1.94%	2.08%	2.83%	2.99%
To estimated full value................	1.35%	1.36%	1.46%	1.98%	2.09%
To equalized net taxable grand list...................................	1.07%	1.13%	1.45%	1.45%	1.65%
Debt per capita to per capita income......................................	5.01%	5.02%	5.35%	5.65%	5.88%

[1] *Unaudited estimate.*

OUTSTANDING SHORT-TERM INDEBTEDNESS

The Town currently has no outstanding short-term indebtedness.

MULBERRY POINT WATER MAIN EXTENSION

The Town recently completed a 2.4-mile water main extension to the coastal neighborhoods of Long Cove, Mulberry Point and Tuttles Point in Town. The total project costs of approximately $6.0 million were funded through a $1.5 million contribution from the Connecticut Water Company, $1.15 million from the State Bond Commission grant, a $410 thousand project grant from the State of Connecticut Department of Health Drinking Water State Revolving Fund, and a $2.95 million loan from the State of Connecticut DWSRF. In July 2019, the Town originally entered into an Interim Funding Obligation with the State of Connecticut DWSRF in the amount of $3.4 million. On November 30, 2021, the Town entered in a final Project Loan Obligation ("PLO") with the State of Connecticut DWSRF in the amount of $2.95 million. The Town has issued assessments to the property owners that benefitted from the water main which will be payable over twenty years. These assessments will cover the cost of the debt service on the loan. The Town will not issue any General Obligation bonds to fund the project.

The outstanding balance on the DWSRF loan is as follows:

Loan Number	Date of Issue	Original 2% Loan Amount	Outstanding as of 10/7/2026
DWSRF #2019-7079....	12/31/2021	$ 2,955,081	$ 2,338,968

CAPITAL LEASES

As of June 30, 2026, the Town has outstanding Board of Education technology leases in the amount of $2,915,000. These payments are not included in the outstanding bonded debt herein.

In January 2018, the Town entered into a Guaranteed Energy Performance Contract ("EPC") with Johnson Controls Inc. ("JCI") under which various equipment and improvements intended to reduce energy consumption were undertaken at Town and Board of Education buildings. The total costs of the improvements was approximately $9.6 million and the improvements were in part financed by the issuance of a 20-year tax-exempt municipal lease in the amount of $9.1 million and a $0.5 million energy rebate from Eversource Energy. Under the terms of the EPC, if energy savings in any year are not sufficient to substantially cover the cost of the debt service on the improvements, JCI will cover the differential. As of June 30, 2026, the principal amount outstanding of lease payments was $6,587,767. The lease payments are not included in the outstanding bonded debt herein.

UNDERLYING INDEBTEDNESS

There are four associations and one taxing district within the Town of Guilford with the power to issue debt or cause taxes to be levied on taxable property ("Coterminous Municipalities"). As of October 7, 2026, the Coterminous Municipalities have no outstanding indebtedness.

LEGAL REQUIREMENTS FOR APPROVAL OF BORROWING

The Town has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the requirements of the Town Charter for the authorization of indebtedness.

TEMPORARY FINANCING

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

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

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

SCHOOL PROJECTS

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996. State grants 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 the net share of project costs.

CAPITAL IMPROVEMENT PROGRAM

Proposed Projects	2026-27	2027-28	2028-29	2029-30	2030-31	Total
Board of Education...............	$ 5,254,121	$ 5,959,301	$ 9,721,890	$14,710,578	$13,703,226	$ 49,349,116
General Government:						
Assessor............................	-	-	637,065	-	-	637,065
Communications................	25,000	22,630	-	-	-	47,630
Engineering........................	185,000	41,950,000	2,025,000	9,750,000	1,997,630	55,907,630
Fire......................................	198,000	2,570,017	236,990	1,836,517	60,000	4,901,524
Golf Course.......................	88,332	279,489	30,400	34,400	12,000	444,621
Information Systems.........	38,923	22,701	12,000	12,000	12,000	97,624
Library................................	-	222,000	10,000	10,000	10,000	252,000
Natural Resources.............	80,000	180,000	40,000	40,000	-	340,000
Parks & Recreation...........	441,725	1,369,300	430,000	198,000	-	2,439,025
Planning & Zoning.............	300,000	150,000	-	-	-	450,000
Police.................................	231,853	20,449,218	407,053	431,451	459,175	21,978,750
Public Works.....................	44,813	709,948	775,437	337,000	37,000	1,904,198
Town Properties................	114,000	290,500	90,000	25,000	-	519,500
Total General Government...	1,747,646	68,215,803	4,693,945	12,674,368	2,587,805	89,919,567
Total Project Costs.............	$ 7,001,767	$74,175,104	$14,415,835	$27,384,946	$16,291,031	$139,268,683
Funding Sources						
General Fund.........................	$ 949,216	$ 2,188,398	$ 2,094,880	$ 1,237,368	$ 653,175	$ 7,123,037
General Obligation Bonds....	5,254,121	62,459,967	11,671,890	18,635,578	15,625,856	113,647,412
Other Funds ………………	798,430	176,739	649,065	12,000	12,000	1,648,234
State and Federal Grants.......	-	9,350,000	-	7,500,000	-	16,850,000
Total Funding Sources.......	$ 7,001,767	$74,175,104	$14,415,835	$27,384,946	$16,291,031	$139,268,683

AUTHORIZED BUT UNISSUED DEBT

Projects	Total Bond Authorization	Prior Bonds & Grants/ Contributions	*The Bonds (This Issue)*	Authorized But Unissued
New High School Construction	$ 92,220,800	$ 91,543,554	$ -	$ 677,246 [1]
Road Reconstruction and Elevation Improvements (2013-14)	2,500,000	1,545,000	-	955,000
Town Property Improvements (2013-14)	1,235,000	1,070,000	161,868	3,132
Road Reconstruction and Improvement Program (2015-16)	1,280,000	873,271	-	406,729
Town Facility Improvements (2015-16)	2,205,000	1,605,661	26,015	573,324
School Facility Improvements (2015-16)	3,595,000	2,468,017	955,553	171,430
Road Reconstruction and Improvement Program (2017-18)	1,047,000	930,509	-	116,491
Public Safety Equipment (2017-18)	1,451,804	1,291,734	20,572	139,498
School Facility Improvements (2017-18)	3,464,999	3,227,382	227,668	9,949
Baldwin Middle School Security Upgrades (2017-18)	660,000	295,445	-	364,555
School Facility Improvements (2018-19)	3,650,000	3,305,739	-	344,261
Town Property Improvements & Road Reconstruction (2019-20)	1,135,000	503,827	-	631,173
Town Vehicles and Equipment (2019-20)	2,402,000	1,850,346	356,809	194,845
School Facility Improvements (2019-20)	3,005,000	3,005,000	-	-
Baldwin Middle School HVAC Upgrade (2020-21)	1,700,000	1,683,887	-	16,113
School Facility Improvements (2021-22)	6,172,609	4,805,132	-	1,367,477
Town Facilities Improvements and Dump Trucks (2021-22)	4,497,012	1,878,974	902,592	1,715,446
School Facility Improvements (2022-23)	3,885,391	3,747,309	-	138,082
Class A, B and C Land Acquisition (2022-23)	10,000,000	860,314	-	9,139,686
School Facility Improvements (2023-24)	1,331,260	-	-	1,331,260
Town Road and Facility Improvements (2023-24)	6,102,668	722,828	2,348,923	3,030,917
School Facility Improvements (2024-25)	2,452,080	-	-	2,452,080
Town Vechiles, Road and Facility Improvements (2025-26)	2,353,318	-	-	2,353,318
School Facility Improvements (2025-26)	1,923,916	-	-	1,923,916
School Facility Improvements (2026-27)	1,830,609	-	-	1,830,609
Total	$ 162,100,466	$ 127,213,929	$ 5,000,000	$ 29,886,537

[1] *The Town recently received the balance of its outstanding State of Connecticut school construction grant retainage. The project will be closed out and the balance of any authorized debt will be deauthorized.*

RATIO OF DEBT SERVICE TO TOTAL EXPENDITURES AND TRANSFERS OUT

Fiscal Year Ended 6/30	Annual Debt Service	Total General Fund Expenditures and Transfers out	Ratio of General Fund Debt Service to Total General Fund Expenditures and Transfers Out %
2027 [1]	$ 10,166,847	$ 127,963,203	7.95%
2026 [2]	10,166,846	122,778,714	8.28%
2025	11,369,253	128,527,180	8.85%
2024	10,858,139	128,069,572	8.48%
2023	10,259,728	121,995,496	8.41%
2022	10,452,144	118,789,578	8.80%

[1] *Adopted Budget, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

[2] *Unaudited estimate, Budgetary Basis, excludes on-behalf payments to the Connecticut State Teachers' Retirement System.*

VII. LEGAL AND OTHER LITIGATION

LITIGATION

Following consultation with the Town's Counsel, and other attorneys advising the Town, as of the date of this Official Statement, Town officials advise that the Town of Guilford, Connecticut, its officers, employees, boards and commissions are named defendants in a number of lawsuits. With regard to these pending lawsuits, it is the Town officials' opinion that such pending litigation will not be finally determined so as to result individually or in the aggregate in final judgments against the Town which would materially adversely affect its financial position or which would impact the validity of the Bonds or the power of the Town to levy and collect taxes to pay the Bonds.

MUNICIPAL ADVISOR

The Town has retained Munistat Services, Inc. (the “Municipal Advisor”) 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 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.

TRANSCRIPTS AND CLOSING DOCUMENTS

Upon the delivery of the Bonds, the winning bidders will be furnished with the following:

1. 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 them;
2. A certificate on behalf of the Town, signed by the First Selectman and the Finance Director, which will be dated the date of delivery and attached to a signed copy of the Official Statement, certifying that to the best of said officials' knowledge and belief, as of the date that the bids were accepted on the Bonds, the descriptions and statements in the Official Statement (with such supplemental information concerning ratings, interest rates, and corrections) 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. The approving opinion of Shipman & Goodwin LLP, Bond Counsel, in substantially the form set out in Appendix B, hereto;
4. Executed Continuing Disclosure Agreement in substantially the form set out in Appendix C; and
5. Receipt for the purchase price of the Bonds.

The Town has prepared a Preliminary Official Statement which is dated September 15, 2026. The Town deems such Official Statement final as of its date for the purposes of SEC Rule 15c2-12(b)(1), but it is subject to revision or amendment. Within seven business days of the execution of the bid opening, the Town will furnish the purchasers with a reasonable number of copies of the Official Statement, as prepared for this issue at the Town's expense.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the principal office of U.S. Bank Trust Company, National Association, of Hartford, Connecticut and will be available for examination upon reasonable request.

CONCLUDING STATEMENT

Additional information may be obtained upon request from the Office of the Town Finance Director at (203) 453-8023 or from Munistat Services, Inc. at (203) 421-2880.

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

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.

Shipman & Goodwin LLP, Bond Counsel, is not passing upon, and does not assume responsibility for, the accuracy or completeness of the statements made in this Official Statement, other than as set forth in Appendix B, herein, and it makes no representation that it has independently verified the same.

TOWN OF GUILFORD, CONNECTICUT

By:_______________________________
MATTHEW HOEY
First Selectman

By:_______________________________
MARYJANE MALAVASI
Finance Director

Dated: September __ 2026

APPENDIX A - FINANCIAL STATEMENTS

CBIZ CPAs P.C.

100 Westminster Street
Suite 500
Providence, RI 02903

P: 401.600.4500

Independent Auditors' Report

Board of Finance
Town of Guilford, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Guilford, 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, the business-type activities, the discretely presented component unit, 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 generally accepted auditing standards 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 the management's discussion and analysis, presented on pages 6 through 14, and required supplementary information presented on pages 90 through 107, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information, as listed in the table of contents, on pages 110 through 125 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information presented is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining 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 23, 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.

CBIZ CPAs P.C.

Providence, RI
January 23, 2026

The management of the Town of Guilford, Connecticut (the "Town") offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $70,808,781 (net position).
- The Town's total net position increased by $3,423,956 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $15,839,980, an increase of $67,679 in comparison with the prior year.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was $15,041,177 or 12.7% of the fiscal year 2025 General Fund budgetary expenditure appropriations.
- The Town's total long-term bonded debt (governmental and business-type activities combined) and long-term notes payable decreased by $3,418,989 or 3.7% during the current fiscal year due to bond proceeds of $5,000,000 offset by current year principal payments.
- The Town's business-type activities, ended the fiscal year with net position of $658,265, an increase of $58,913 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing or related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Both of the government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include activities such as: general government, public works, public safety, health and welfare, culture and recreation and education. The business-type activities of the Town include the waste transfer station and marina fund.

The government-wide financial statements can be found on pages 15 through 17 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The Town maintains a number of individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Proprietary Funds

The Town maintains two types of proprietary funds. The Town maintains an enterprise fund to account for its waste transfer station and marina funds. It also maintains an internal service fund for the Town's medical activity.

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

The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of retirees for pension and other post-employment benefits. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs. The accounting used for fiduciary funds is like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

Notes to the Financial Statements

The notes to the basic 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 the financial statements can be found on pages 27 through 87 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information and supplementary information consisting of combining and individual fund statements and schedules that can be found on pages 110 through 125 of this report.

5OVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Over time, net position may serve as one measure of a government's financial position. The net position of the Town totaled $70,808,781 as of June 30, 2025 and $67,384,825 as of June 30, 2024, and is summarized as follows:

	Government Activities		Business-Type Activities		Total		
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**Percent Change**
Current & other assets	$ 33,952,234	$ 40,052,511	$ 208,185	$ 246,133	$ 34,160,419	$ 40,298,644	-15.2%
Capital assets	196,902,092	194,980,505	667,989	716,733	197,570,081	195,697,238	1.0%
Total assets	230,854,326	235,033,016	876,174	962,866	231,730,500	235,995,882	-1.8%
Deferred outflows of resources	2,772,794	4,704,921	--	--	2,772,794	4,704,921	-41.1%
Other liabilities	19,163,527	26,231,306	217,909	363,514	19,381,436	26,594,820	-27.1%
Long-term liabilities	121,253,886	129,639,541	--	--	121,253,886	129,639,541	-6.5%
Total liabilities	140,417,413	155,870,847	217,909	363,514	140,635,322	156,234,361	-10.0%
Deferred inflows of resources	23,059,191	17,081,617	--	--	23,059,191	17,081,617	35.0%
Net investment in capital assets	101,466,271	93,611,624	667,989	716,733	102,134,260	94,328,357	8.3%
Restricted	2,085,782	1,610,651	--	--	2,085,782	1,610,651	29.5%
Unrestricted	(33,401,537)	(28,436,802)	(9,724)	(117,381)	(33,411,261)	(28,554,183)	17.0%
Total net position	$ 70,150,516	$ 66,785,473	$ 658,265	$ 599,352	$ 70,808,781	$ 67,384,825	5.1%

Total assets of the Town at June 30, 2025 and 2024 were $231,730,500 and $235,995,882, respectively, a decrease of 1.8%. The significant components of current assets and other assets are cash, investments, tax receivables, grant receivables, and special assessment receivables. Capital assets include land, buildings and building improvements, infrastructure, construction in progress, and equipment and vehicles. All capital assets except for land and construction in progress are shown net of accumulated depreciation.

Total liabilities of the Town at June 30, 2025 and 2024 were $140,635,322 and $156,234,361, respectively, a decrease of 10.0%. Current liabilities include accounts payable, accrued liabilities, current portions of long-term liabilities and unearned revenue. Noncurrent liabilities are primarily made up of the long-term portion of debt, notes, accrued compensated absences and pension and OPEB liabilities.

Deferred inflows and outflows of resources relate to the Town's pension and OPEB liabilities, charges on refundings and deferred lease receivables. In 2025, the Town's deferred outflows decreased by $1,932,127 and deferred inflows increased by $5,977,574. These changes are the result of fluctuations in the actuarial valuations of the liabilities and the change in the value of pension and OPEB assets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Net Position (Continued)

Net position represents the Town's equity, which is accounted for in three major categories. The first category, net investment in capital assets, represents the Town's equity in land, buildings and building improvements, construction in progress, infrastructure, and equipment, net of related accumulated depreciation and capital debt outstanding. The next net position category is restricted net position; which occurs when constraints are placed on the assets by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc. The last category is unrestricted net position; these funds are available to use for any lawful and prudent purpose of the Town. Unrestricted net position decreased by $4,857,078, or 17.0%, for the fiscal year.

Changes in Net Position

Changes in net position for the years ended June 30, 2025 and 2024 are as follows:

	Government Activities		Business-Type Activities		Total		
	2025	2024	2025	2024	2025	2024	Percent Change
Revenues							
Program revenues:							
Charges for services	$ 7,151,453	$ 6,653,740	$ 1,064,451	$ 1,219,874	$ 8,215,904	$ 7,873,614	4.3%
Operating grants	16,870,467	21,375,300	--	--	16,870,467	21,375,300	-21.1%
Capital grants	4,840,886	2,551,791	--	1,340	4,840,886	2,553,131	89.6%
General revenues							
Property taxes	110,140,733	107,735,862	--	--	110,140,733	107,735,862	2.2%
Grants not restricted to specific programs	1,165,611	1,634,809	--	--	1,165,611	1,634,809	-28.7%
Unrestricted investment earnings	1,098,491	1,932,926	779	5,211	1,099,270	1,938,137	-43.3%
Other	--	277,776	--	435	--	278,211	-100.0%
Total Revenue	141,267,641	142,162,204	1,065,230	1,226,860	142,332,871	143,389,064	-0.7%
Program Expenses							
General government	14,043,987	10,671,638	--	--	14,043,987	10,671,638	31.6%
Public safety	16,608,165	19,770,478	--	--	16,608,165	19,770,478	-16.0%
Public works	7,896,192	5,160,739	--	--	7,896,192	5,160,739	53.0%
Helath and welfare	2,064,044	2,815,299	--	--	2,064,044	2,815,299	-26.7%
Culture and recreation	5,365,745	5,705,384	--	--	5,365,745	5,705,384	-6.0%
Education	88,507,981	91,230,938	--	--	88,507,981	91,230,938	-3.0%
Interest on long-term debt	3,276,484	2,540,853	--	--	3,276,484	2,540,853	29.0%
Waste transfer station	--	--	994,613	992,761	994,613	992,761	0.2%
Marina fund	--	--	151,704	164,753	151,704	164,753	-7.9%
Total Program Expenses	137,762,598	137,895,329	1,146,317	1,157,514	138,908,915	139,052,843	-0.1%
Change in net position prior to transfers	3,505,043	4,266,875	(81,087)	69,346	3,423,956	4,336,221	-21.0%
Transfers	(140,000)	(85,000)	140,000	85,000	--	--	0.0%
Change in net position	3,365,043	4,181,875	58,913	154,346	3,423,956	4,336,221	-21.0%
Net Position - Beginning	66,785,473	62,603,598	599,352	445,006	67,384,825	63,048,604	6.9%
Net Position - Ending	$ 70,150,516	$ 66,785,473	$ 658,265	$ 599,352	$ 70,808,781	$ 67,384,825	5.1%

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position (Continued)

Governmental activities increased the Town's net position by $3,365,043. Business-type activities increased the Town's net position by $58,913.

Total revenues generated by the Town decreased by $1,056,193 or 0.7% in comparison to revenues reported in the prior year. The increase in capital grant revenue of $2,287,755 or 89.6% was primarily related to the recognition of ARPA federal funds on various projects. The decrease in operating grants of $2,215,738, or 21.1% was primarily driven by type of costs ARPA was spent on and a decrease in ESSER funds in 2025. The Town's property tax revenue also increased $2,404,871 or 2.2% compared to the prior year.

Expenses incurred by the Town decreased $351,853 or 0.3% in comparison to expenses reported in the prior year largely due to a decrease in education grants compared to prior year.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $15,839,980. Of this amount, $2,164,070 is unassigned and available for spending at the discretion of the Town.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was $15,041,177. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 12.7% of the fiscal year 2025 General Fund budgetary expenditure appropriations.

The fund balance of the Town's General Fund increased by $541,445 during the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The actual net change in fund balance of the General Fund on a budgetary basis was a decrease of $89,259. Expenditures, excluding transfers out were $157,161 less than budgeted and revenues, excluding transfers in were $259,364 more than budgeted. See pages 90-92 for the detailed comparison of budget versus actual for the year ended June 30, 2025.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets as of June 30, 2025 and 2024 totaled $197,570,081 and $195,697,237, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment, infrastructure and construction in progress. The total increase in the Town's investment in capital assets for the current fiscal year was $1,872,844 or 1.0%. This increase consisted of capital asset additions of $7,578,400 offset by current year depreciation expense. Major capital asset events during the current fiscal year consisted of approximately $2,193,836 relating to the reconstruction of nut plains road, $1,709,930 relating to improvements to 595 New England Road, $653,893 relating to the Jacobs Beach playground as well as $590,701 for the replacement of an Ambulance Frame.

The following table is a two-year comparison of the investment in capital assets:

	Governmental Activities		Business-type Activities		Total		$ Variance	% Variance
	2025	2024	2025	2024	2025	2024		
Land	$ 24,032,854	$ 24,032,854	$ 130,000	$ 130,000	$ 24,162,854	$ 24,162,854	$ --	0.00%
Buildings and improvements	179,852,998	177,505,010	186,979	186,979	180,039,977	177,691,989	2,347,988	1.32%
Infrastructure	42,940,917	40,408,438	--	--	42,940,917	40,408,438	2,532,479	6.27%
Land improvements	9,498,269	8,375,642	959,823	959,823	10,458,092	9,335,465	1,122,627	12.03%
Machinery and equipment	12,933,845	12,630,431	404,803	404,803	13,338,648	13,035,234	303,414	2.33%
Vehicles	13,208,508	12,104,071	--	--	13,208,508	12,104,071	1,104,437	9.12%
Subscription agreements	202,608	202,608	--	--	202,608	202,608	--	0.00%
Construction in progress	2,391,173	2,391,173	--	--	2,391,173	2,391,173	--	0.00%
Accumulated depreciation / amortization	(88,159,080)	(82,669,722)	(1,013,616)	(964,873)	(89,172,696)	(83,634,595)	(5,538,101)	6.62%
Total	$ 196,902,092	$ 194,980,505	$ 667,989	$ 716,732	$ 197,570,081	$ 195,697,237	$ 1,872,844	0.96%

At the end of the current fiscal year, the Town had total bonded debt and notes payable outstanding of $88,105,593. The Town's total capital debt decreased by $3,418,989 or 3.7% during the current fiscal year due to current year principal payments.

State statutes limit the amount of general obligation debt the Town may issue to seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is significantly in excess of the Town's outstanding general obligation debt.

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-term Debt

The following table is a two-year comparison of long-term bonded debt, and capital lease debt:

	Governmental Activities		Business-type Activities		Total		$ Variance	% Variance
	2025	2024	2025	2024	2025	2024		
General obligation bonds	$ 79,005,000	$ 81,285,000	$ --	$ --	$ 79,005,000	$ 81,285,000	$ (2,280,000)	-2.80%
Clean water notes payable	2,115,102	2,252,479	--	--	2,115,102	2,252,479	(137,377)	-6.10%
Notes payable	6,985,491	7,987,103	--	--	6,985,491	7,987,103	(1,001,612)	-12.54%
Total	$ 88,105,593	$ 91,524,582	$ --	$ --	$ 88,105,593	$ 91,524,582	$ (3,418,989)	-3.74%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Town as of June 30, 2025 was 2.6%, up slightly from a rate of 2.1% the previous year.
- Although unemployment is stable, uncertainty regarding the continued effects of COVID 19 on residents, taxpayers, and town government was taken into consideration.
- The Town has ceased its practice of reserving and relying on fund balance for the subsequent year's operating budget. In the past, this use of available fund balance lessened the burden on taxpayers; however, as a result, fund balance was reduced to inadequate levels. The restoration and preservation of fund balance is vital to the Town's overall fiscal stability. The Town has made measurable progress to meet this objective.

Key budget initiatives for 2025-26 are a continuation of multi-year long-range budget objectives, which include the following:

- Continuing the multi-year strategy to maintain the General Fund capital budget at a level that allows the Town to pay for regular, recurring capital projects on a "pay-as-you-go" basis, reserving bonding for more expensive construction or building projects.
- Funding the contributions to both the Town and Police pension plans at the levels recommended by the Town's actuary with the long-term goal of eliminating the unfunded liabilities to significantly reduce our future pension obligation.
- Increasing the amount of funding for road maintenance that has been deferred for many years due to budget reductions.
- Negotiate and settle labor agreements with terms that are both fair to the employee and favorable to the Town. Strategies to control employee medical benefits remain a priority.
- To stabilize mill rate increases to lessen the burden on taxpayers.

As a result of these efforts the Town adopted a 2025-26 General Fund budget of $122,554,319 which represents an increase of $4,624,095 or 3.92% over the 2024-25 budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (CONTINUED)

During fiscal year 2025-26, the five-year capital plan updated each year by the Board of Selectmen will be used as a blueprint for capital and debt management. This plan includes capital expenditures which will preserve the Town's investment in its properties and buildings, and new vehicles and equipment to ensure continued service delivery. In April, 2025 appropriations and bond authorizations totaling $1,923,916 were approved at referendum for projects on the Board of Education capital plan; and $2,353,318 for projects on the Town's capital plan.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town of Guilford, 31 Park Street, Guilford, Connecticut, 06437.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Guilford Library Association
Assets				
Current Assets				
Cash and cash equivalents	$ 22,377,404	$ 407,626	$ 22,785,030	$ 131,075
Investments	5,433,792	--	5,433,792	1,921,009
Receivables:				
Property taxes and interest, net	1,595,527	--	1,595,527	--
Intergovernmental	1,534,556	--	1,534,556	--
Usage charges	--	45,230	45,230	--
Special assessements	2,139,698	--	2,139,698	--
Other	528,980	--	528,980	--
Leases	48,036	--	48,036	--
Other assets	49,570	--	49,570	--
Internal balances	244,671	(244,671)	--	--
Total Current Assets	33,952,234	208,185	34,160,419	2,052,084
Noncurrent Assets				
Capital assets not being depreciated	26,424,027	130,000	26,554,027	--
Capital assets, net of accumulated depreciation	170,478,065	537,989	171,016,054	--
Total Noncurrent Assets	196,902,092	667,989	197,570,081	--
Total Assets	230,854,326	876,174	231,730,500	2,052,084
Deferred Outflows of Resources				
Deferred charges on refunding	66,707	--	66,707	--
Pension-related deferred outflows	877,550	--	877,550	--
OPEB-related deferred outflows	1,828,537	--	1,828,537	--
Total Deferred Outflows of Resources	2,772,794	--	2,772,794	--

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Guilford Library Association
Liabilities				
Accounts payable and accrued liabilities	7,446,236	74,632	7,520,868	--
Accrued interest	1,314,141	--	1,314,141	--
Claims payable	1,380,000	--	1,380,000	--
Unearned revenue	131,125	143,277	274,402	--
Due within one year	8,892,025	--	8,892,025	--
Due in more than one year	121,253,886	--	121,253,886	--
Total Liabilities	140,417,413	217,909	140,635,322	--
Deferred Inflows of Resources				
Deferred charge on refunding	530,355	--	530,355	--
Deferred leases	41,709	--	41,709	--
Unavailable revenue - prepaid taxes	4,343,680	--	4,343,680	--
Pension-related deferred inflows	4,159,919	--	4,159,919	--
OPEB-related deferred inflows	13,983,528	--	13,983,528	--
Total Deferred Inflows of Resources	23,059,191	--	23,059,191	--
Net Position				
Net investment in capital assets	101,466,271	667,989	102,134,260	--
Restricted	2,085,782	--	2,085,782	--
Unrestricted	(33,401,537)	(9,724)	(33,411,261)	2,052,084
Total Net Position	$ 70,150,516	$ 658,265	$ 70,808,781	$ 2,052,084

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues			Changes in Net Position			
			Operating	Capital	Primary Government			Component Unit
Functions/Programs	Expenses	Charges for Services	Grants and Contribution	Grants and Contributions	Governmental Activities	Business-type Activities	Total	Guilford Library Association
Governmental Activities:								
General Government	$ 14,043,987	$ 1,062,362	$ 2,887,348	$ --	$ (10,094,277)		$ (10,094,277)	$ --
Public safety	16,608,165	1,802,884	--	--	(14,805,281)		(14,805,281)	--
Public works	7,896,192	694,835	65,389	4,840,886	(2,295,082)		(2,295,082)	--
Health and welfare	2,064,044	297,232	100,345	--	(1,666,467)		(1,666,467)	--
Culture and recreation	5,365,745	1,663,881	196,777	--	(3,505,087)		(3,505,087)	--
Education	88,507,981	1,630,259	13,620,608	--	(73,257,114)		(73,257,114)	--
Interest expense	3,276,484	--	--	--	(3,276,484)		(3,276,484)	--
Total Governmental Activities	137,762,598	7,151,453	16,870,467	4,840,886	(108,899,792)		(108,899,792)	--
Business-Type Activities:								
Waste transfer station	994,613	793,937	--	--		$ (200,676)	(200,676)	--
Marina fund	151,704	270,514	--	--		118,810	118,810	--
Total Business-Type Activities	1,146,317	1,064,451	--	--		(81,866)	(81,866)	--
Total Primary Government	$ 138,908,915	$ 8,215,904	$ 16,870,467	$ 4,840,886	(108,899,792)	(81,866)	(108,981,658)	
Component Unit:								
Guilford Library Association	$ 1,975,427	$ 64,857	$ --	$ --				$ (1,910,570)
General Revenues:								
Property taxes					110,140,733	--	110,140,733	--
Grants and contributions not restricted to specific programs					1,165,611	--	1,165,611	1,835,763
Unrestricted investment earnings					1,098,491	779	1,099,270	245,258
Transfers					(140,000)	140,000	--	--
Total General Revenues and transfers					112,264,835	140,779	112,405,614	2,081,021
Change in net position					3,365,043	58,913	3,423,956	170,451
Net position - beginning					66,785,473	599,352	67,384,825	1,881,633
Net position - ending					$ 70,150,516	$ 658,265	$ 70,808,781	$ 2,052,084

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2025

	General Fund	Bonded Projects	Miscellaneous Special Grants	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 14,786,674	$ --	$ 827,247	$ 4,181,004	$ 19,794,925
Investments	5,433,792	--	--	--	5,433,792
Receivables:					
Property taxes, net	1,595,527	--	--	--	1,595,527
Special assessments	--	--	--	2,139,698	2,139,698
Intergovernmental	1,469,424	--	--	65,132	1,534,556
Leases	--	--	--	48,036	48,036
Other	317,498	--	--	184,072	501,570
Due from other funds	12,527,538	--	--	24,021	12,551,559
Other assets	--	--	--	31,646	31,646
Prepaid items	17,924	--	--	--	17,924
Total Assets	$ 36,148,377	$ --	$ 827,247	$ 6,673,609	$ 43,649,233
Liabilities					
Accounts payable and accrued liabilities	$ 6,318,973	$ 345,165	$ 83,910	$ 698,188	$ 7,446,236
Unearned revenue	--	--	64,491	66,634	131,125
Due to other funds	--	11,686,394	64,821	549,409	12,300,624
Total Liabilities	6,318,973	12,031,559	213,222	1,314,231	19,877,985
Deferred Inflows of Resources					
Deferred lease inflows	--	--	--	41,709	41,709
Unavailable revenue - special assessments	--	--	--	2,139,698	2,139,698
Unavailable revenue - prepaid taxes	4,343,680	--	--	--	4,343,680
Unavailable revenue - property taxes	1,406,181	--	--	--	1,406,181
Total Deferred Inflows of Resources	5,749,861	--	--	2,181,407	7,931,268
Fund Balances					
Nonspendable	17,924	--	--	31,646	49,570
Restricted	962,064	--	614,025	509,693	2,085,782
Committed	5,645,850	--	--	3,482,180	9,128,030
Assigned	2,412,528	--	--	--	2,412,528
Unassigned	15,041,177	(12,031,559)	--	(845,548)	2,164,070
Total Fund Balances	24,079,543	(12,031,559)	614,025	3,177,971	15,839,980
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 36,148,377	$ --	$ 827,247	$ 6,673,609	$ 43,649,233

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

JUNE 30, 2025

Total Fund Balances for Governmental Funds		$ 15,839,980
Total Net Position Reported for Governmental Activities in the Statement of Net Position is Different Because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Nondepreciable	$ 26,424,027	
Depreciable	258,637,145	
Less: accumulated depreciation and amortization	(88,159,080)	
Total Capital Assets, Net		196,902,092
Internal service fund activity for self insurance is not recorded within the governmental funds.		1,223,625
Property tax revenues and special assessments will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred inflows of resources in the governmental funds.		3,545,879
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as governmental fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Those liabilities consist of:		
Long-Term Debt:		
Bonds and notes payable	(79,005,000)	
Unamortized bond premium	(6,794,197)	
Deferred loss on refunding	66,707	
Deferred gain on refunding	(530,355)	
Clean water notes payable	(2,115,102)	
Notes payable	(6,985,491)	
Accrued interest payable	(1,314,141)	
Other Long-Term Assets and Liabilities:		
Compensated absences	(1,455,858)	
Teamsters pension liability	(2,094,269)	
Subscription liability	(72,383)	
Total pension liability	(2,619,087)	
Net pension liability	(14,397,448)	
Total OPEB liability	(14,607,076)	
Total Long-Term Liabilities		(131,923,700)
Deferred outflows and inflows of resources resulting from changes in the components of the net pension and OPEB liabilities are reported in the statement of net position.		(15,437,360)
Net Position of Governmental Activities		$ 70,150,516

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Bonded Projects	Miscellaneous Special Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$ 110,143,542	$ --	$ --	$ 135,771	$ 110,279,313
Intergovernmental	13,169,807	963,000	2,404,105	5,842,715	22,379,627
Charges for services	4,209,826	--	--	1,362,005	5,571,831
Other local revenue	36,074	18,802	310,350	1,846,342	2,211,568
Interest	941,885	--	100,942	55,664	1,098,491
Total Revenue	128,501,134	981,802	2,815,397	9,242,497	141,540,830
Expenditures					
Current					
General government	6,046,695	--	2,593,344	244,282	8,884,321
Public safety	12,230,978	--	--	114,909	12,345,887
Public works	3,417,739	--	89,500	1,941,782	5,449,021
Health and welfare	1,467,712	--	89,265	44,833	1,601,810
Culture and recreation	2,336,553	--	195,856	1,356,169	3,888,578
Education	81,189,892	--	--	3,278,166	84,468,058
Pension and other employee benefits	8,822,291	--	--	--	8,822,291
Capital outlays	1,292,855	5,946,571	--	2,396,129	9,635,555
Debt Service					
Principal payments	8,289,873	--	--	129,116	8,418,989
Interest and other charges	3,079,380	104,619	--	51,502	3,235,501
Total Expenditures	128,173,968	6,051,190	2,967,965	9,556,888	146,750,011
Excess (Deficiency) of Revenues over Expenditures	327,166	(5,069,388)	(152,568)	(314,391)	(5,209,181)
Other Financing Sources (Uses)					
Bond proceeds	--	5,000,000	--	--	5,000,000
Premium proceeds	416,860	--	--	--	416,860
Transfers in	150,631	--	--	62,581	213,212
Transfers out	(353,212)	--	--	--	(353,212)
Total Other Financing Sources (Uses)	214,279	5,000,000	--	62,581	5,276,860
Net Change in Fund Balances	541,445	(69,388)	(152,568)	(251,810)	67,679
Fund Balances - Beginning	23,538,098	(11,962,171)	766,593	3,429,781	15,772,301
Fund Balances - Ending	$ 24,079,543	$ (12,031,559)	$ 614,025	$ 3,177,971	$ 15,839,980

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - for governmental funds		$ 67,679
The net position reported for governmental activities in the statement of net position is different because:		
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 expense. The amount by which capital asset expenditures exceeded depreciation and amortization expense in the current period is as follows:		
Expenditures for capital assets	$ 7,435,601	
Depreciation and amortization expense	(5,514,014)	
Net adjustment		1,921,587
Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as deferred inflows in the governmental funds. This amount represents the change in deferred inflows of resources.		(273,189)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principle on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term obligations is as follows:		
Principal repayments:		
Bonds payable	2,280,000	
Notes payable	1,001,612	
Clean Water notes payable	137,377	
		3,418,989
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However in the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds recognize the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of such items is as follows:		
Compensated absences	168,613	
Teamsters pension liability	174,516	
Subscription liability	34,527	
Total pension liability	303,404	
Net pension liability	4,763,709	
Total OPEB liability	(1,209,042)	
Amortization of deferred charge on bond refunding	36,711	
Amortization of bond premium	919,119	
Accrued interest	(40,983)	
		5,150,574
Changes in activity for internal service fund		(3,007,211)
Deferred outflows and inflows of resources resulting from changes in the components of the net pension and OPEB liabilities are amortized as a component of pension and OPEB expense in the statement of activities.		(3,913,386)
Change in net position of governmental activities		$ 3,365,043

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2025

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Funds
Assets		
Current Assets:		
Cash and cash equivalents	$ 407,626	$ 2,582,479
Accounts receivable	45,230	27,410
Total Current Assets	452,856	2,609,889
Noncurrent Assets:		
Capital assets:		
Non-depreciable	130,000	--
Depreciable, net	537,989	--
Total Noncurrent Assets	667,989	--
Total Assets	1,120,845	2,609,889
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	74,632	--
Due to other funds	244,671	6,264
Unearned revenue	143,277	--
Claims payable	--	1,380,000
Total Liabilities	462,580	1,386,264
Net Position		
Investment in capital assets	667,989	--
Unrestricted	(9,724)	1,223,625
Total Net Position (Deficit)	$ 658,265	$ 1,223,625

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Funds
Operating Revenues		
Charges for services	$ 1,064,091	$ 16,192,155
Other	360	--
Total Operating Revenues	1,064,451	16,192,155
Operating Expenses		
Salaries and benefits	466,109	--
Operations and supplies	631,465	--
General and administrative	--	19,226
Claims	--	19,180,140
Depreciation	48,743	--
Total Operating Expenses	1,146,317	19,199,366
Operating Income	(81,866)	(3,007,211)
Nonoperating Revenues		
Interest income	779	--
Net Nonoperating Revenues	779	--
Net Revenue Before Transfers	(81,087)	(3,007,211)
Transfer in	140,000	--
Change in Net Position	58,913	(3,007,211)
Net Position - Beginning	599,352	4,230,836
Net Position - Ending	$ 658,265	$ 1,223,625

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Funds
Cash Flows From Operating Activities		
Cash received for the following:		
Charges for services and insurance premiums	$ 1,059,447	$ 16,164,805
Cash paid for the following:		
Personnel services	(466,109)	--
Operations and supplies	(777,730)	--
Self-insurance claims	--	(19,229,762)
Net Cash Provided by (Used in) Operating Activities	(184,392)	(3,064,957)
Cash Flows Provided by (Used in) Noncapital Financing Activities		
Advance to other funds	384,671	413,568
Cash Flows Provided by Investing Activities		
Interest and dividends	779	--
Net Change in Cash and Cash Equivalents	201,058	(2,651,389)
Cash and Cash Equivalents - Beginning of Year	206,568	5,233,868
Cash and Cash Equivalents - End of Year	$ 407,626	$ 2,582,479
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	$ (81,866)	$ (3,007,211)
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:		
Depreciation expense	48,743	--
Decrease (increase) in assets:		
Accounts receivable	(5,665)	(27,350)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(146,265)	(325,396)
Unearned revenue	661	--
Claims payable	--	295,000
Net Cash Provided by (Used in) Operating Activities	$ (184,392)	$ (3,064,957)

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

JUNE 30, 2025

	Employee Benefit Trust Funds
Assets	
Cash and cash equivalents	$ 2,442,115
Investments	87,974,780
Total Assets	90,416,895
Net Position	
Restricted for pensions	86,635,943
Restricted for OPEB benefits	3,780,952
Total Net Position	$ 90,416,895

The accompanying notes are an integral part of these financial statements.

TOWN OF GUILFORD, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	Employee Benefit Trust Funds
Additions	
Contributions:	
Employer	$ 4,235,975
Plan members	359,410
Total Contributions	4,595,385
Investment income:	
Interest and dividends	2,571,417
Change in the fair value of investments, net	6,304,248
Net Investment Income	8,875,665
Total Additions	13,471,050
Deductions	
Benefit payments	6,102,331
Administrative expenses	8,699
Total Deductions	6,111,030
Change in Net Position	7,360,020
Net Position - Beginning	83,056,875
Net Position - Ending	$ 90,416,895

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Guilford, Connecticut (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governmental entities. Summaries of the Town's significant accounting policies have been presented throughout the notes to the basic financial statements in conjunction with other disclosures to which they relate.

FINANCIAL REPORTING ENTITY

The Town of Guilford, Connecticut (the Town) was incorporated in 1639. It operates under the Board of Selectmen/Board of Finance form of government and provides the following services: public safety (police and fire), public works, health and welfare, culture, recreation, education, and general government.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*: *Omnibus an amendment of GASB Statements No. 14 and No. 34*. Under GASB Statement No. 61, a legally separate entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any one of the following conditions exists:

a) The primary government is legally entitled to or can otherwise access the organization's resources.
b) The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
c) The primary government is obligated in some manner for the debt of the organization.

Through the application of GASB Statement No. 61 criteria, it is determined that a component unit does have a discretely presented component unit.

Discretely Presented Component Unit

The Guilford Free Library (the Library) is included in the Town's Annual Comprehensive Financial Report as a discretely presented component unit. The Town's Board of Selectmen is empowered to appoint the Guilford Library Association, Inc. (the Association) to take over the administration of the Library. The Association shall annually account to the Selectmen of its doings for the preceding fiscal year in time to allow said report to be printed in the Annual Town Report. The Library is a not-for-profit organization incorporated under the laws of the State of Connecticut. Although it is legally separate from the Town of Guilford, the Library is presented discretely as it is fiscally dependent upon the Town. The Town contributes almost seventy percent (70%) of the Library's annual operating budget. The Library does not provide services primarily to the Town, but to its citizens. The Library does not issue a stand alone report.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds and distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services.

The Statement of Activities presents a comparison between expenses and program revenues for each function of the Town's governmental activities. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

Fund financial statements of the Town are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

a) Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
b) Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of that individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The funds of the Town are described below:

GOVERNMENTAL FUNDS

Governmental funds are used to account for operations that supply basic governmental services. The Town uses the following types of governmental funds:

General Fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in other funds.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Miscellaneous Special grants fund is a special revenue funds that is considered major in the current year.

Capital Project Funds are used to account for and report resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The and Bonded Projects Fund is a capital projects funds that is considered major in the current year.

PROPRIETARY FUNDS

Proprietary Funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered non-operating sources of revenue. The Proprietary Funds include Enterprise and Internal Service Funds. During the year ended June 30, 2025 the Town maintained two Enterprise Funds and one Internal Service Fund. The Town uses its enterprise fund to account for its waste transfer station and marina funds and uses its internal service fund to account for the medical insurance benefits provided to Town employees.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIDUCIARY FUNDS (NOT INCLUDED IN GOVERNMENT-WIDE STATEMENTS)

Fiduciary Funds are used to report assets held by the Town in a trustee capacity and, therefore, cannot be used to support the Town's own programs. The following fiduciary funds are used by the Town:

Pension and OPEB Trust Funds are used to account for resources legally held in a trust for payment of pension and OPEB benefits, and cannot be used at the Town's discretion or to support the Town's general operations.

MAJOR AND NON-MAJOR FUNDS

The funds are further classified as major or non-major as follows:

Fund	Brief Description
Major:	
General Fund:	See above for description.
Miscellaneous Special Grants	Accounts for the Town's non-education related grant funds.
Bonded Projects Fund	Used for improvements to education facilities, athletic fields and land acquisition. Majority of the capital outlays are financed by the issuance of general obligation bonds.
Proprietary Funds:	
Internal Service Fund	Accounts for the self-insured medical activities of the Board of Education.
Non Major:	
Special Revenue Funds:	Grant programs including federal grants, state grants, and private grants. The Town currently maintains eighteen (18) special revenue funds which have been classified as non-major Governmental Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.
Capital Project Funds:	The Town currently maintains four (4) Capital Project Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MAJOR AND NON-MAJOR FUNDS (CONTINUED)

Proprietary funds: The Town currently maintains two (2) nonmajor Proprietary Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

On the Government-wide Statement of Net Position and the Statement of Activities both governmental and business-type activities (proprietary funds) are presented using the economic resources measurement focus as defined in item (b) below and the accrual basis of accounting.

In the fund financial statements, the current financial resources measurement focus (modified accrual) or the economic resources measurement focus (full accrual) is used as appropriate:

(a) All governmental funds utilize a current financial resources measurement focus and a modified accrual basis of accounting. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

(b) The proprietary fund utilizes an economic resources measurement focus and accrual basis of accounting. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and deferred outflows of resources, and liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available for liquidating liabilities of the current period. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (usually 60 days). Revenues not considered to be available are recorded as deferred inflows. Expenditures, including capital outlays, are recognized when a related fund liability has been incurred, except for those involving debt service and other long-term obligations that are recognized when due.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Those revenues susceptible to accrual are property taxes, special assessments, federal impact aid, state aid, meals and hotel taxes collected by the State on behalf of the Town, interest and charges for services. Fines, licenses and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash; therefore, they are recognized when received.

Recognition of grant revenues is based on the susceptibility of accrual as determined by the legal and contractual requirements established by each grantor. For grants not restrictive as to specific purposes and revocable only for failure to comply with general prescribed requirements, revenues are recognized when actually received. Where expenditure is the prime factor in determining eligibility, grant revenue is recognized as allowable expenditures are made provided they are collected during the year or within 60 days subsequent to year-end. Prior to expenditure, proceeds are recorded as unearned revenues.

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. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

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

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

For purposes of the cash flow statement, all investments with original maturities of three months or less when purchased are considered to be cash equivalents. Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition. The Town maintains deposits in various financial institutions, which are separately displayed in the financial statements as "cash and cash equivalents."

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Cash and Cash Equivalents (Continued)

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

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

Investments

The investment policies of the Town conform to the policies as set forth by the State of Connecticut. The Town’s policy is to only allow prequalified financial institution broker/dealers and advisors. The Town policy is to only allow investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short-Term Investment Fund and the Tax-Exempt Proceeds Fund.

Investments are stated at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Investments (Continued)

The Town follows U.S. GAAP guidance on Fair Value Measurements which establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quote prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Accounts Receivable

In the Government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables. Business-type activities report service fees as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year-end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions earned/measurable but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the Government-wide financial statements in accordance with the accrual basis. Proprietary fund receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. At June 30, 2025 the Town has estimated the allowance for doubtful accounts for delinquent taxes of $50,000.

Leases – Lessor

The Town of Guilford is a lessor for a noncancellable leases of cell towers. The Town of Guilford recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities in the government ‐ wide and in the governmental fund financial statements.

At the commencement of a lease, the Town of Guilford 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Leases – Lessor (Continued)

Key estimates and judgments include how the Town of Guilford determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town of Guilford uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town of Guilford 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.

Property Taxes and Usage Charges

All property tax and sewer use receivables are shown net of an allowance for uncollectible accounts. The allowance is calculated based upon historical collections and analysis of creditor's ability to pay.

Property taxes are assessed as of October 1 and billed the following July 1 and January 1. Taxes are overdue on August 1 and February 1. Interest at the rate of 1.5% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value A lien is placed on the property if real estate taxes are unpaid as of June 30 following the payable date.

Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets. Prepaids recorded in governmental-type funds do not reflect current appropriated resources and, as such are reported as non-spendable fund balance.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds.

Certain unexpended and unencumbered appropriations for incomplete projects are carried over to succeeding years. Such continuing appropriations are accounted for similar to encumbrances. Other unencumbered appropriations lapse at year-end.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Capital Assets

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the Government-wide or fund financial statements.

In the Government-wide financial statements, long-lived assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation.

Capital assets are defined by the Town as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The costs of normal maintenance and repairs that do not add to value of the asset or materially extend asset lives are not capitalized.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the Government-wide statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The ranges of estimated useful lives by type of asset are as follows:

Asset	Years
Building and improvements	25-40
Land improvements	20
Infrastructure	10-65
Vehicles	5-15
Machinery and equipment	5-15

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There were no impairments reported as of June 30, 2025.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Subscription Based Information Technology Arrangements (SBITA)

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Bond Premiums and Issuance Costs

In the Government-wide statement of net position, bond premiums and discounts are deferred and amortized over the term of the related bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds payable. Bond issuance costs are expensed in the year incurred.

In the governmental funds, bond premiums and issuance costs are treated as period costs in the year the bonds are issued. Bond issuance costs are included in debt service expenditures and bond premiums are reflected as other financing sources in the governmental funds financial statements, while discounts are reported as other financing uses.

Long-term Obligations

In the Government-wide and proprietary fund financial statements, long-term debt and other long-term obligations (including compensated absences, and accrued claims and judgements) are reported as liabilities in the statement of net position.

In the governmental fund financial statements, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The face amount of debt issued is reported as other financing sources in the governmental funds financial statements.

Compensated Absences

Under the terms of various contracts and policies, Town employees are granted vacation and sick leave based on length of service. The Town's policy is to recognize the cost of vacation and sick leave in governmental funds when paid and on the accrual basis in proprietary funds. The amount of earned but unpaid vacation and sick leave is recorded as a long-term obligation in the Government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Judgments and Claims

Liabilities for legal cases and other claims against Governmental funds are recorded when the ultimate liability can be estimated and such cases are expected to be liquidated with expendable available financial resources. Proprietary fund types record these liabilities using the accrual basis of accounting.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2025 the Town reported $2,706,087 of deferred outflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred outflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). The Town also reported deferred charged on refundings of $66,707 as a deferred outflow of resources at year end.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate section represents the acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2025 the Town reported $18,143,447 of deferred inflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred inflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). The Town also reported deferred charged on refundings of $530,255 and deferred lease receivable of $41,709 as deferred inflows of resources at year end.

At June 30, 2025 the Town also had three items qualified as deferred inflows of resources in the governmental funds balance sheet. The unavailable tax revenue of $1,406,181 at June 30, 2025 represents property taxes receivables which are assessed on October 31, 2023 and prior and are not collected within 60 days of June 30, 2025. The unavailable prepaid taxes of $4,343,680 at June 30, 2025 represents property taxes which are assessed on October 31, 2024 but received prior to year end. The unavailable special assessments of $2,139,698 represents assessment receivables assessed prior to June 30, 2025 that are not collected within 60 days of June 30, 2025.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Interfund Transactions

Interfund activity within and among the funds of the Town have been classified and reported as follows:

Reciprocal interfund activities:

- Interfund loans are reported as interfund receivables in the lending fund and interfund payables in borrower funds.
- Interfund services are reported as revenues in the seller fund and as expenditures or expenses in the purchasing fund.

Non-reciprocal interfund activities:

- Interfund transfers are reported in governmental funds as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.
- Interfund reimbursements are repayments from the fund responsible for particular expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.

Transactions between funds have been eliminated in the Government-wide financial statements but fully presented within the governmental fund of financial statements with no elimination made between or within funds.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due from/to other funds” (current portion) or “advances from/to other funds” (noncurrent portion). All other outstanding balances between funds are reported as “due from/to other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-wide financial statements as “internal balances.”

Net Position/Fund Balance

Government-wide Financial Statements

Net position is classified and displayed in the following three components:

(a) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings, and deferred inflows of resources, if any, that are attributable to the acquisition, construction, or improvement of those assets, increased by deferred outflows of resources related to those assets, if any.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Net Position/Fund Balance (Continued)

Government-wide Financial Statements (Continued)

(b) Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
(c) Unrestricted net position – The remaining net position that does not meet the definition of "restricted" or "net investment in capital assets".

Proprietary fund net position is classified the same as in the Government-wide statements.

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* fund balance is classified as non-spendable, restricted, committed, assigned, or unassigned. These categories are defined below:

- Non-spendable – Amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash within one year.
- Restricted – Includes amounts that are restricted for specific purposes. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Selectman, with the Board of Finance approval (the highest levels of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action.
- Assigned – Amounts are constrained by the Town's intent to be used for specific purposes, but are not restricted or committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official (Town Finance Director) that has been delegated authority to assign amounts by the Town Charter and in accordance with the Town's adopted Fund Balance Policy.
- Unassigned – Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

Net Position/Fund Balance (Continued)

Net Position Flow Assumption

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 and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

The Town does not have a formal policy over net position. In practice, the Town considers restricted net position to have been depleted before unrestricted net position is applied.

PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement system and additions/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the retirement system.

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined by an actuarial valuation conducted by the Town and are accounted for in accordance with the requirements of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*.

RECENTLY ISSUED ACCOUNTING STANDARDS

During the year ended June 30, 2025 the Town adopted GASB Statement No. 101*, Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*, which did not have a material impact on the Town's financial statements.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 23, 2026, which is the date these financial statements were available to be issued. There are no events requiring recognition or disclosure into these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)

USE OF ESTIMATES

The preparation of basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues, expenditures and expenses during the reporting period. Significant items subject to such estimates include the pension and the other postemployment benefit liability. Actual results could differ from those estimates.

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

CASH DEPOSITS

A reconciliation of the Town's cash and cash equivalents as of June 30, 2025 is as follows:

Government-wide statement of net position:	
Cash and cash equivalents	$ 22,785,030
Statement of fiduciary net position:	
Cash and cash equivalents	2,442,115
Net cash deposits	$ 25,227,145

CASH DEPOSITS – CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, $19,244,704 of the Town's bank balance of $27,499,627 was uninsured and uncollateralized.

At June 30, 2025, $131,075 of the Guilford Library Association's bank balance was covered by federal depository insurance.

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS

Interest Rate Risk

The Town's investment policy limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. The pension plan's policy strives for a balanced return on investments to limit its exposure to fair value losses by providing long-term return opportunities through an allocation of the funds discussed above. In addition, the plan strives to meet cash requirements for benefit payments.

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's investments to this risk using the segmented time distribution model is as follows:

			Investment Maturities (In Years)	
Investment Type	Credit Rating	Fair Value	Less Than 1	1-10
U.S. Government Agencies	A3	$ 5,433,792	$ --	$ 5,433,792
Other Investments				
Mutual Funds	N/A	87,974,780		
		$ 93,408,572		

Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The pension and Other Post Employment Benefit Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee.

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. The Town's investments in external investment pools, mutual funds and group annuity contracts are not evidenced by securities and are therefore not exposed to custodial credit risk. Investments in equity securities are uninsured and unregistered, with securities held by the counterparty, but not in the Town's or pension fund's name. The Town's investments in mutual funds are not evidenced by securities and are therefore not exposed to custodial credit risk.

Concentrations of Credit Risk

The Town places no limit on the amount invested in any one issuer. No more than 5% of the Town's investments were invested in any one issuer in which credit risk was applicable.

NOTE 3 – FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs). The Town classifies its assets and liabilities measured at fair value into level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly, and Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Town's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2025, by level within the fair value hierarchy are presented in the table below:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual funds	$ 87,974,780	$ --	$ --	$ 87,974,780
U.S. Government Securities	--	5,433,792	--	5,433,792
	$ 87,974,780	$ 5,433,792	$ --	$ 93,408,572

NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

The component units financial assets that are accounted for at fair value on a recurring basis as of June 30, 2025, by level within the fair value hierarchy are presented in the table below:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual funds	$ 1,155,280	$ --	$ --	$ 1,155,280
U.S. Government Securities	84,481	--	--	84,481
Corporate bonds	--	272,980	--	272,980
Common stock	408,268	--	--	408,268
	$ 1,648,029	$ 272,980	$ --	$ 1,921,009

NOTE 4 – RECEIVABLES

LEASE RECEIVABLE

The Town, acting as lessor, leases various cell towers under long-term, noncancelable lease agreements. The leases expire on July 1, 2027. During the year ended June 30, 2025, the Town recognized $42,534 and $2,849 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under the lease agreement are as follows:

	Governmental Activities		
Year Ended June 30,	Principal	Interest	Total
2026	$ 44,267	$ 1,116	$ 45,383
2027	3,769	13	3,782
	$ 48,036	$ 1,129	$ 49,165

NOTE 5 – CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2025 consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	$ 24,032,854	$ --	$ --	$ 24,032,854
Construction in progress	2,391,173	--	--	2,391,173
Total capital assets, not being depreciated	26,424,027	--	--	26,424,027
Capital assets, being depreciated:				
Buildings and improvements	177,505,010	2,347,988	--	179,852,998
Infrastructure	40,408,438	2,532,479	--	42,940,917
Land improvements	8,375,642	1,122,627	--	9,498,269
Machinery and equipment	12,630,431	365,869	(62,455)	12,933,845
Vehicles	12,104,071	1,104,437	--	13,208,508
Total capital assets, being depreciated	251,023,592	7,473,400	(62,455)	258,434,537
Less accumulated depreciation for:				
Buildings and improvements	45,425,569	2,742,510	--	48,168,079
Infrastructure	19,497,447	969,756	--	20,467,203
Land improvements	2,227,436	326,642	--	2,554,078
Machinery and equipment	6,045,562	330,356	(2,787)	6,373,131
Vehicles	9,392,033	1,070,417	--	10,462,450
Total accumulated depreciation	82,588,047	5,439,681	(2,787)	88,024,941
Subscription based information technology agreements	202,608	--	--	202,608
Less accumulated amortization for:				
Subscription based information technology agreements	81,675	52,464	--	134,139
Total accumulated amortization	81,675	52,464	--	134,139
Total capital assets, being depreciated/amortized, net	168,556,478	1,981,255	(59,668)	170,478,065
Governmental activities capital assets, net	$ 194,980,505	$ 1,981,255	$ (59,668)	$ 196,902,092

NOTE 5 – CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General government	$ 316,961
Public safety	1,159,631
Public works	1,186,056
Health and welfare	129,505
Culture and recreation	572,645
Education	2,127,347
Total depreciation / amortization expense - governmental activities	$ 5,492,145

Capital asset activity for business-type activities for the year ended June 30, 2025 consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital assets, not being depreciated:				
Land	$ 130,000	$ --	$ --	$ 130,000
Total capital assets, being depreciated	130,000	--	--	130,000
Capital assets, being depreciated:				
Buildings and improvements	$ 186,979	$ --	$ --	$ 186,979
Land improvements	959,823	--	--	959,823
Machinery and equipment	404,803	--	--	404,803
Total capital assets, being depreciated	1,551,605	--	--	1,551,605
Less accumulated depreciation for:				
Buildings and improvements	$ 162,632	$ 625	$ --	$ 163,257
Land improvements	533,611	38,393	--	572,004
Machinery and equipment	268,630	9,725	--	278,355
	964,873	48,743	--	1,013,616
Total capital assets, being depreciated, net	586,732	(48,743)	--	537,989
Business-type activities capital assets, net	$ 716,732	$ (48,743)	$ --	$ 667,989

NOTE 6 – INTERFUND RECEIVABLES AND PAYABLE

Interfund receivable and payable balances at June 30, 2025 are as follows:

Funds	Due From	Due To
Governmental Funds		
Miscellaneous special grants	$ --	$ 64,821
General fund	12,527,538	--
Bonded projects	--	11,686,394
Nonmajor governmental funds	24,021	549,409
	12,551,559	12,300,624
Business-type Activities		
Nonmajor enterprise funds	--	244,671
Internal service fund	--	6,264
Total transfers	$ 12,551,559	$ 12,551,559

NOTE 7 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2025 consisted of the following:

Funds	Transfer In	Transfer Out
Governmental Funds		
Nonmajor governmental funds	$ 62,581	$ --
General Fund	150,631	353,212
	213,212	353,212
Business-type Activities		
Nonmajor enterprise funds	140,000	--
Total due from/to other funds	$ 353,212	$ 353,212

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2025:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	$ 81,285,000	$ 5,000,000	$ (7,280,000)	$ 79,005,000	$ 7,425,000
Direct borrowing - clean water notes	2,252,479	--	(137,377)	2,115,102	139,878
Subscription liability	106,910	--	(34,527)	72,383	34,527
Unamortized bond premium	7,713,316	416,860	(1,335,979)	6,794,197	--
Total bonds and note payable	91,357,705	5,416,860	(8,787,883)	87,986,682	7,599,405
Other liabilities:					
Notes payable - direct borrowing	7,987,103	--	(1,001,612)	6,985,491	397,724
Teamsters pension plan liability	2,268,785	--	(174,516)	2,094,269	174,516
Compensated absences	1,624,471	--	(168,613)	1,455,858	720,380
Total pension liability	2,922,491	--	(303,404)	2,619,087	--
Net pension liability	19,161,157	--	(4,763,709)	14,397,448	--
Total OPEB liability	13,398,034	--	1,209,042	14,607,076	--
Total governmental activities	$ 138,719,746	$ 5,416,860	$ (13,990,695)	$130,145,911	$ 8,892,025

The long-term liabilities above typically have been liquidated by the General Fund.

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

BONDS AND NOTES PAYABLE

A summary of bonds and notes payable outstanding at June 30, 2025 is as follows:

Governmental Activities:	Year of Issuance	Amount Issued	Interest Rate	Maturity Date	Balance Outstanding June 30, 2024	Additions	Retirements	Balance Outstanding June 30, 2025	Amounts Due Within One Year
General Obligation Bonds and Notes Payable:									
General purpose:									
General obligation	2016	$ 9,932,000	2.00-5.00%	8/15/2030	$ 4,872,000	$ --	$ 834,000	$ 4,038,000	$ 591,000
General obligation	2018	12,000,000	2.00-5.00%	8/1/2038	8,900,000	--	770,000	8,130,000	770,000
General obligation	2019	400,503	2.00-5.00%	8/1/2039	336,000	--	21,000	315,000	21,000
General obligation	2020	4,566,000	2.00-5.00%	8/1/2028	2,677,000	--	533,000	2,144,000	536,000
General obligation	2020	1,005,000	2.00-5.00%	8/1/2040	873,000	--	68,000	805,000	69,000
General obligation	2021	2,339,154	2.00-5.00%	8/1/2041	2,212,000	--	128,000	2,084,000	123,000
General obligation	2021	4,815,000	2.00-5.00%	8/1/2035	3,818,000	--	514,000	3,304,000	526,000
General obligation	2022	4,000,000	3.50-5.00%	8/1/2030	4,000,000	--	255,000	3,745,000	290,000
General obligation	2023	5,000,000	3.50-5.00%	8/1/2031	5,000,000	--	--	5,000,000	320,000
General obligation	2024	5,000,000	2.59-3.60%	8/1/2034	--	5,000,000	--	5,000,000	--
Total general purpose		49,057,657			32,688,000	5,000,000	3,123,000	34,565,000	3,246,000
School:									
School improvement	2016	4,673,000	2.00-5.00%	8/15/2030	2,588,000	--	346,000	2,242,000	329,000
School improvement	2016	15,630,000	2.00-4.00%	8/1/2036	10,680,000	--	825,000	9,855,000	825,000
School improvement	2017	7,000,000	2.00-5.00%	8/1/2036	5,150,000	--	370,000	4,780,000	370,000
School improvement	2019	2,799,497	2.00-5.00%	8/1/2039	2,319,000	--	159,000	2,160,000	159,000
School improvement	2019	850,000	2.50-3.00%	8/1/2029	510,000	--	85,000	425,000	85,000
School improvement	2020	18,854,000	3.50-5.00%	8/1/2034	13,503,000	--	1,322,000	12,181,000	1,339,000
School improvement	2020	1,995,000	2.00-5.00%	8/1/2040	1,777,000	--	107,000	1,670,000	106,000
School improvement	2021	660,846	2.00-5.00%	8/1/2041	618,000	--	42,000	576,000	42,000
School improvement	2021	13,200,000	2.00-5.00%	8/1/2035	11,452,000	--	901,000	10,551,000	924,000
Total school		65,662,343			48,597,000	--	4,157,000	44,440,000	4,179,000
Total bonds payable		114,720,000			81,285,000	5,000,000	7,280,000	79,005,000	7,425,000
Clean water notes payable									
Water									
Clean water fund	2021	2,955,081	5.00%	9/30/2041	2,252,479	--	137,377	2,115,102	139,878
Notes Payable - Direct Borrowing	2022	9,126,355	2.90%	1/24/2038	7,359,773	--	374,282	6,985,491	397,724
Total outstanding		$ 126,801,436			$ 90,897,252	$ 5,000,000	$ 7,791,659	$ 88,105,593	$ 7,962,602

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

BONDS AND NOTES PAYABLE (CONTINUED)

Year Ending June 30,	Principal	Interest	Total
Governmental Activities General Obligation Bonds:			
2026	$ 7,425,000	$ 2,819,581	$ 10,244,581
2027	7,895,000	2,486,463	10,381,463
2028	7,950,000	2,152,544	10,102,544
2029	8,000,000	1,815,475	9,815,475
2030	7,005,000	1,502,713	8,507,713
2031-2035	27,920,000	4,068,950	31,988,950
2036-2040	11,095,000	913,647	12,008,647
2041-2045	1,715,000	137,150	1,852,150
	$ 79,005,000	$ 15,896,523	$ 94,901,523

Year Ending June 30,	Principal	Interest	Total
Governmental Activities Clean Water Notes Payable:			
2026	$ 139,878	$ 40,740	$ 180,618
2027	142,701	37,917	180,618
2028	145,581	35,036	180,617
2029	148,520	32,098	180,618
2030	151,517	29,100	180,617
2031-2035	804,715	98,373	903,088
2036-2040	582,190	19,939	602,129
	$ 2,115,102	$ 293,203	$ 2,408,305

Clean Water Notes

The Town’s outstanding clean water notes contains a provision that, in event of default, the State may declare, by notice to the Town, that the principal of and interest accrued on any outstanding amounts are immediately due and payable in full, automatically, without further notices or demand of any kind.

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

BONDS AND NOTES PAYABLE (CONTINUED)

Note Payable – Direct Borrowings

The Town entered into a finance agreement for energy improvements and equipment for several town buildings and Board of Education schools. The agreement qualifies as a note payable for accounting purposes (title transfer at end of terms) and therefore, have been recorded at the present value of the future minimum payments as of the date of their inception. The Town's outstanding note for equipment contains a provision that, in event of default, the Town return all equipment at the Town's expense. For energy improvements, if the Town defaults on any obligation, the Town will be solely responsible for, and liable for, the entire rental amount and all other amounts owed from the date of default.

The following is a schedule of future minimum payments and the prese't value of the net minimum payments at June 30, 2025:

Governmental Activities Direct Borrowings:			
2026	$ 397,724	$ 202,230	$ 599,954
2027	422,231	190,716	612,947
2028	447,842	178,492	626,334
2029	452,878	165,527	618,405
2030	480,204	152,416	632,620
2031-2035	2,778,839	537,560	3,316,399
2036-2040	2,005,773	118,268	2,124,041
	$ 6,985,491	$ 1,545,209	$ 8,530,700

Bond Anticipation Notes

The Town uses bond anticipation notes to fund various construction costs prior to issuance of bonds. The following table summarizes the activity for the fiscal year:

Purpose	Date Issued	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance
General Purpose	8/4/2023	8/3/2024	2.50%	$ 2,650,000	$ --	$ 2,650,000	$ --

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2025.

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

BONDS AND NOTES PAYABLE (CONTINUED)

Legal Debit Limit (Continued)

The following schedule provides information regarding the Town's debt limitations:

Total cash collections for the year ended June 30, 2025:	
Taxes	$ 109,526,580
Interest and lien fees	344,942
Total	109,871,522
Reimbursement for revenue loss:	
Tax relief (CGS 12-129d)	--
Base	$ 109,871,522

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	$ 247,210,925	$ --	$ --	$ --	$ --
4-1/2 times base	--	494,421,849	--	--	--
3-3/4 times base	--	--	412,018,208	--	--
3-1/4 times base	--	--	--	357,082,447	--
3 times base	--	--	--	--	329,614,566
Total debt limitation	247,210,925	494,421,849	412,018,208	357,082,447	329,614,566
Indebtedness:					
Bonds and notes payable	34,565,000	44,440,000	2,115,102	--	--
Authorized, unissued bonds	--	--	--	--	--
	34,565,000	44,440,000	2,115,102	--	--
Debt limitation in excess of outstanding and authorized debt	$ 212,645,925	$ 449,981,849	$ 409,903,106	$ 357,082,447	$ 329,614,566

Total capacity of borrowing (7 times base)	$ 769,100,654
Total present indebtedness	81,120,102
Margin for additional borrowing	$ 687,980,552

NOTE 9 – FUND BALANCE

The various components of fund balance at June 30, 2025 are as follows:

	General Funds	Bonded Projects	Miscellaneous Special Grants	Nonmajor Governmental Funds	Totals
Nonspendable:					
Prepaid items / Inventory	$ 17,924	$ --	$ --	$ 31,646	$ 49,570
Restricted for:					
Grants	--	--	614,025	32,422	646,447
Volunteer firefight fund	962,064	--	--	--	962,064
Education	--	--	--	477,271	477,271
Committed for:					
Education	150,631	--	--	485,776	636,407
Capital improvements	--	--	--	784,568	784,568
Future debt	1,030,933	--	--	--	1,030,933
Health projects	350,000	--	--	--	350,000
Coastal resilience	926,533	--	--	--	926,533
Disaster relief	177,151	--	--	--	177,151
Facilities task	50,000	--	--	--	50,000
Facility project	107,569	--	--	--	107,569
Future building project	500,000	--	--	--	500,000
Planning	231,432	--	--	--	231,432
Road repair / sidewalk	434,214	--	--	--	434,214
Retirement sick pay	196,728	--	--	--	196,728
Revaluation	300,887	--	--	--	300,887
Road Projects	503,765	--	--	--	503,765
Safe streets	214,265	--	--	--	214,265
Technology	231,742	--	--	--	231,742
Transportation plan	240,000	--	--	--	240,000
Community and recreation	--	--	--	841,991	841,991
Land acquisition	--	--	--	945,997	945,997
General government	--	--	--	423,848	423,848
Assigned to:					
General government	929,804	--	--	--	929,804
Carried in force	824,850	--	--	--	824,850
Reserve for personnel	177,069	--	--	--	177,069
Education	480,805	--	--	--	480,805
Unassigned	15,041,177	(12,031,559)	--	(845,548)	2,164,070
	$ 24,079,543	$ (12,031,559)	$ 614,025	$ 3,177,971	$ 15,839,980

NOTE 9 – FUND BALANCE (CONTINUED)

At June 30, 2025, the following funds had a deficit fund balance or deficit net position, as applicable:

Governmental Funds:		
Bonded projects	$ 12,031,559	***
Total School Department Revenue Funds	12,031,559	
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Revaluation fund	$ 999	*
Police outside services	135,732	*
Special education grant	12,261	*
Total Town Special Revenue Funds	148,992	
Capital Project Funds:		
Grant projects	696,556	***
Total Capital Project Funds	696,556	
Total Cumulative Deficits - Governmental Funds	$ 12,877,107	

* Deficit will be covered via an administrative plan
** Deficit will be covered via transfer of funds
*** Deficit will be covered via proceeds from long-term debt

NOTE 10 – EMPLOYEE RETIREMENT PLANS

DEFINED BENEFIT PLANS

Plan Description

Plan Administration – The Town maintains three single-employer Public Employee Retirement Systems (PERS) established and administered by the Town to provide pension benefits for full-time employees: Employees' Pension Plan, Police Retirement Fund and Public-School Employees' Pension Plan, collectively referred to as the Plans. The Plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports part of its Employee Benefit Trust Funds. Stand-alone financial statements are not issued for these plans.

Management of the Plan rests with a Pension Committee of not less than three (3) nor more than five (5) members who shall be appointed by the Town of Guilford Board of Selectmen. Members of the Pension Committee shall serve for four (4) year terms. One of the Pension Committee members shall be designated Chairman by the Board of Selectmen.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

Plan Description and Benefits Provided

Employees' Pension Plan

All full-time employees, except members of the State of Connecticut Teachers' Retirement System, employees of the police department and employees of the public works department, who elect to become members of the Teamsters Union Local No. 443, are eligible to participate in the Employees' Pension Plan. This plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for this plan participants equals 2% of an employee's "compensation base" (average of the employee's highest four consecutive annual salaries), multiplied by the number of years of credited service. Effective July 1, 2003, for all Guilford Supervisors Association Members, a compensation base of 2.5% would be considered for calculating the retirement benefits. Article XIII of the plan document, as well as the provisions of any applicable collective bargaining agreement, provide the authority under which benefit provisions are established or amended.

Police Retirement Fund

All regular full-time employees of the Guilford Police Department are eligible to participate in the Police Retirement Fund. This plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits equal 2.25% of an employee's "compensation base" (average of the employee's highest two consecutive annual salaries), multiplied by the number of years of credited service. Article XIII of the plan document, as well as the provisions of any applicable collective bargaining agreement, provide the authority under which benefit provisions are established or amended.

Public School Employees' (Noncertified) Pension Plan

All regular full-time employees of the Town school system, other than instruction and supervisory staff, are eligible to participate in the Public School Employees' (Noncertified) Pension Plan. This plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for plan participants are 1.5% of an employee's "compensation base" (average of the employee's highest four or five consecutive annual salaries), multiplied by the number of years of credited service. Article XIII of the plan document, as well as the provisions of any applicable collective bargaining agreement, provide the authority under which benefit provisions are established or amended.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

Plan Membership –

The plans consisted of the following as of the date of the latest actuarial valuation of July 1, 2024:

	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan
Retirees and beneficiaries currently receiving benefits	53	57	83
Vested terminated employees	16	1	11
Active plan members	59	12	47
	128	70	141

Basis of Accounting – Financial statements are prepared using the accrual basis of accounting for the three defined benefit pension plans. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. Administrative costs of the Plans are funded by each plan.

Investments are reported at fair value. Investment income is recognized as earned.

Funding Policy

Employees’ Pension Plan

This Plan provides for employee contributions of up to 2.5% of straight-time earnings, and for Guilford Supervisors Association members, 3.5% of straight-time earnings. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the Plan are made in accordance with actuarially determined requirements. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Guilford.

Administrative costs of the Plan are financed through investment earnings.

Police Retirement Fund

Plan provisions require employee contributions of 6% of salary. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the Plan are made in accordance with actuarially determined requirements. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

Summary of Significant Accounting Policies

Investment Policy – The Pension Committee takes a moderately-conservative approach with regard to the Portfolio. At the same time, it recognizes that prudent investing requires taking reasonable risks in order to achieve the targeted investment returns. As a result of the Committee’s recognition that higher returns involve the necessity of experiencing some cyclical market volatility, the Committee has indicated a willingness to tolerate temporary declines in the value of the Portfolio. The Portfolio will be managed in a manner that seeks to minimize principal fluctuations over the established time horizons and is consistent with the stated objectives. Financial research has demonstrated that risk is best minimized through diversification of assets, including international investments.

Concentrations – As of June 30, 2025, the Town did not have more than 5% in one investment subject to risk of concentration.

Rate of return – For the year ended June 30, 2025 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 10.54% for each of the plans. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

The components of the net pension liability of the plans’ as June 30, 2025 were as follows:

	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan
Total pension liability	$ 46,042,294	$ 36,145,972	$ 18,845,125
Plan fiduciary net position	42,546,415	29,706,020	14,383,508
Town's net pension liability	$ 3,495,879	$ 6,439,952	$ 4,461,617
Plan fiduciary net position as a percentage of the total pension liability	92.41%	82.18%	76.32%

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

Net Pension Liability

The components of the change in the net pension liability of the plans' for the year ended June 30, 2025, were as follows:

	Employees' Pension Plan		
		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance as of July 1, 2024	$ 44,597,372	$ 38,777,184	$ 5,820,188
Changes for the year:			
Service cost	643,540	--	643,540
Interest	2,553,794	--	2,553,794
Change in benefit terms	90,501	--	90,501
Differences between expected and actual experience	(165,246)	--	(165,246)
Contributions - employer	--	1,106,698	(1,106,698)
Contributions - employee	--	230,283	(230,283)
Net investment income	--	4,113,328	(4,113,328)
Benefit payments, including refunds	(1,677,667)	(1,677,667)	--
Administrative expense	--	(3,411)	3,411
Net changes	1,444,922	3,769,231	(2,324,309)
Balance as of June 30, 2025	$ 46,042,294	$ 42,546,415	$ 3,495,879

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

	Police Retirement Plan		
		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance as of July 1, 2024	$ 35,815,510	$ 27,772,562	$ 8,042,948
Changes for the year:			
Service cost	231,581	--	231,581
Interest	2,012,975	--	2,012,975
Differences between expected and actual experience	193,016	--	193,016
Contributions - employer	--	967,882	(967,882)
Contributions - member	--	129,127	(129,127)
Net investment income	--	2,946,002	(2,946,002)
Benefit payments, including refunds	(2,107,110)	(2,107,110)	--
Administrative expense	--	(2,443)	2,443
Net changes	330,462	1,933,458	(1,602,996)
Balance as of June 30, 2025	$ 36,145,972	$ 29,706,020	$ 6,439,952

	Public School Employees' Plan		
		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance as of July 1, 2024	$ 18,717,209	$ 13,419,188	$ 5,298,021
Changes for the year:			
Service cost	271,574	--	271,574
Interest	1,055,118	--	1,055,118
Differences between expected and actual experience	97,192	--	97,192
Contributions - employer	--	838,015	(838,015)
Net investment income	--	1,423,454	(1,423,454)
Benefit payments, including refunds	(1,295,968)	(1,295,968)	--
Administrative expense	--	(1,181)	1,181
Net changes	127,916	964,320	(836,404)
Balance as of June 30, 2025	$ 18,845,125	$ 14,383,508	$ 4,461,617

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

Actuarial Assumptions – The Town's net pension liabilities for all three plans was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liabilities for all three plans was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases, including inflation	Varies by Group
Discount rate	5.75%

Pub-2010(B) Public Retirement Plans Amount-Weighted Mortality Tables (General Employees), projected to the valuation date with Scale MP-2021.

The long-term expected rate of return on pension plan investment was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. Large Growth	21.25%	3.30%
U.S. Large Value	21.25%	3.76%
U.S. Mid Caps	12.00%	3.73%
U.S. Short Bonds	8.40%	1.14%
U.S. Interim Bonds	8.40%	1.46%
Global Equity	6.50%	4.39%
U.S. High Yield Bonds	5.00%	3.48%
U.S. Cash	4.00%	0.80%
Emerging Markets Equity	4.00%	5.73%
U.S. REITs	4.00%	4.46%
U.S. Small & Mid Caps	2.60%	3.62%
Non-U.S. Small Cap	2.60%	4.87%
	100.00%	

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLANS (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability was 5.75%. 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 the Town’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Town, calculated using the discount rate of 5.75%, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75%) or 1-percentage-point higher (6.75%).

	1% Decrease 4.75%	Current Discount 5.75%	1% Increase 6.75%
Employees' net pension liability (asset)	$ 9,083,959	$ 3,495,879	$ (1,177,692)
Police net pension liability	10,648,587	6,439,952	2,944,870
Public school employees' net pension liability	6,492,314	4,461,617	2,721,712

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2025, the Town recognized pension expense related to the Employees’ Pension Plan, Police Retirement Fund and Public School Employees’ Pension Plan of $774,855, $306,398 and $436,485, respectively. At June 30, 2025, the Town reported deferred outflows and inflows of resources related to the Town Plans from the following sources:

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

	Deferred Outflows of Resources		
	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan
Changes of assumptions	$ 128,703	$ --	$ --
Differences between expected and actual experience	--	--	32,397
Total	$ 128,703	$ --	$ 32,397

	Deferred Inflows of Resources		
	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan
Net difference between projected and actual earnings on pension plan investments	$ 1,342,649	$ --	$ 330,008
Changes of assumptions	24,850	--	--
Differences between expected and actual experience	304,364	892,883	--
Total	$ 1,671,863	$ 892,883	$ 330,008

Amounts reported as deferred outflows and inflows of resources related to the plans will be recognized as a component of pension expense (benefit) in future years as follows:

Year ended June 30,	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan
2026	$ 544,065	$ 579,735	$ 416,322
2027	(987,605)	(671,223)	(327,916)
2028	(721,115)	(525,890)	(253,039)
2029	(378,505)	(275,505)	(132,978)
	$ (1,543,160)	$ (892,883)	$ (297,611)

The Town does not have a reported payable liability to the Plans as of June 30, 2025.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

VOLUNTEER FIRE DEPARTMENT PLAN

Plan Description

Plan Administration – The Town provides retirement and death benefits for the Volunteer Fire Department through the Town of Guilford Volunteer Fire Department Financial Security Plan (the Plan), a single employer defined-benefit pension plan. All benefits due and payable under the terms of the Plan are paid from the general assets of the Town. The assets accumulated for purposes of benefit payments are accounted for in the general fund. However, the pension assets are not legally protected by creditors of the Town.

The Town designates an Administrator who is responsible for supervision and control of the operation of the Plan and who has all of the powers necessary or appropriate to properly administer the Plan in accordance with the Town of Guilford Volunteer Fire Department Financial Security Plan & Trust Documents.

Plan Description

Any Volunteer who has been credited with a year of service and attained age nineteen becomes a participant in the Plan as of the next July 1. A participant or terminated participant who has reached normal retirement date prior to his death shall be entitled to receive a retirement benefit equal to $150.00 per month plus $15.00 per month for each year of service in excess of 10 years of service, to a maximum of $300 per month.

Plan Membership

The Plan consisted of the following as of the date of the latest actuarial valuation of July 1, 2024:

Retirees and beneficiaries currently receiving benefits	27
Vested terminated employees	44
Active plan members	23
	94

Benefits Provided

Years of Service
Years of Service prior to 7/1/90 shall not be counted unless the Participant is subsequently credited with five Years of Service since 7/1/90.

Pre-Retirement Death Benefit
A participant who dies prior to his Normal Retirement Date shall be entitled to have his beneficiary receive a monthly income of $156 plus $16 per month for each year of service in excess of ten years of service, to a maximum of $312 per month.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

VOLUNTEER FIRE DEPARTMENT PLAN (CONTINUED)

Alternately, a Participant who dies prior to his Normal Retirement Date may elect to have his beneficiary receive a lump sum death benefit of $7,500 plus $750 for each year of service in excess of 10 years of service, to a maximum of $15,000.

Such Participant shall not be entitled to any other benefits under the Plan.

Timing of Payment
Retirement Benefit – Monthly payments commencing on the first of the month coinciding with or following Normal Retirement Date and continuing until death but with 180 monthly payments certain.

Death Benefit – Monthly payment commencing on first day of sixth month after death (or upon receipt of insurance proceeds if later) and continuing for 15 years or as soon as possible if lump sum option.

Assumptions

Inflation	N/A
Salary increases, including inflation	N/A
Discount rate	N/A
Mortality Rate	2020 Mortality Table

The components of the change in the net pension liability of the Plan for the year ended June 30, 2025, were as follows:

	Total Pension Liability
Balance as of July 1, 2024	$ 2,922,491
Changes for the year:	
Service cost	11,178
Interest	103,458
Change in assumptions	(320,708)
Benefit payments, including refunds	(97,332)
Net changes	(303,404)
Balance as of June 30, 2025	$ 2,619,087

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

VOLUNTEER FIRE DEPARTMENT PLAN (CONTINUED)

Net Pension Liability

Discount Rate – The discount rate used to measure the total pension liability was 4.5%. 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 the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Town, calculated using the discount rate of 4.5%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.5%) or 1-percentage-point higher (5.5%).

	1% Decrease 3.50%	Current Discount 4.50%	1% Increase 5.50%
Employees' net pension liability	$ 3,030,666	$ 2,619,087	$ 2,282,272

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2025, the Town recognized pension expense related to the Plan of $95,123. At June 30, 2025, the Town reported deferred outflows and inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 76,979	$ 22,524
Change in assumptions	639,471	1,242,641
	$ 716,450	$ 1,265,165

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

VOLUNTEER FIRE DEPARTMENT PLAN (CONTINUED)

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized as a component of pension expense in future years as follows:

Year ended June 30,		Amount
2026	$	(164,230)
2027		(63,690)
2028		127,644
2029		432,033
2030		(545,484)
Thereafter		(334,988)
	$	(548,715)

Payable to the Town

The Town does not have a reported payable liability to the Plan as of June 30, 2025.

SUMMARY OF PENSION EXPENSE, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO ALL PENSIONS OF THE TOWN

		Employees' Pension Plan		Police Retirement Fund		Public School Employees' Pension Plan		Volunteer Fire Department		**Total**
Deferred outflows	$	128,703	$	--	$	32,397	$	716,450	$	877,550
Deferred inflows		1,671,863		892,883		330,008		1,265,165		4,159,919
Total pension liability		--		--		--		2,619,087		2,619,087
Net pension liability		3,495,879		6,439,952		4,461,617		--		14,397,448
Pension expense		774,855		306,398		436,485		95,123		1,612,861

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

SUMMARY OF PENSION EXPENSE, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO ALL PENSIONS OF THE TOWN

The following represents the combining employee benefit trust fund activity for 2025:

	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan	Other Post Employment Benefit Fund	Total
Assets					
Cash and cash equivalents	$ 1,180,765	$ 824,415	$ 399,178	$ 37,757	$ 2,442,115
Investments, mutual funds	41,365,650	28,881,605	13,984,330	3,743,195	87,974,780
Total Assets	$ 42,546,415	$ 29,706,020	$ 14,383,508	$ 3,780,952	$ 90,416,895
Net Position					
Restricted for pensions	$ 42,546,415	$ 29,706,020	$ 14,383,508	$ --	$ 86,635,943
Restricted for OPEB benefits	--	--	--	3,780,952	3,780,952
Total Net Position	$ 42,546,415	$ 29,706,020	$ 14,383,508	$ 3,780,952	$ 90,416,895

	Employees' Pension Plan	Police Retirement Fund	Public School Employees' Pension Plan	Other Post Employment Benefit Fund	Total
Additions					
Contributions:					
Employer	$ 1,106,698	$ 967,882	$ 838,015	$ 1,323,380	$ 4,235,975
Plan Members	230,283	129,127	--	--	359,410
Total Contributions	1,336,981	1,097,009	838,015	1,323,380	4,595,385
Investment income:					
Interest and dividends	1,198,259	858,203	414,667	100,288	2,571,417
Change in the fair value of investments, ne	2,915,069	2,087,799	1,008,787	292,593	6,304,248
Net investment income	4,113,328	2,946,002	1,423,454	392,881	8,875,665
Total Additions	5,450,309	4,043,011	2,261,469	1,716,261	13,471,050
Deductions					
Benefit payments	1,677,667	2,107,110	1,295,968	1,021,586	6,102,331
Administrative expenses	3,411	2,443	1,181	1,664	8,699
Total Deductions	1,681,078	2,109,553	1,297,149	1,023,250	6,111,030
Change in net position	3,769,231	1,933,458	964,320	693,011	7,360,020
Net Position - Beginning	38,777,184	27,772,562	13,419,188	3,087,941	83,056,875
Net Position - Ending	$ 42,546,415	$ 29,706,020	$ 14,383,508	$ 3,780,952	$ 90,416,895

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

The teachers and certified administrative personnel of the Town's Board of Education participate in the Teachers' Retirement System (TRS), which is a cost-sharing multiple-employer defined benefit pension plan that provides retirement disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statute (CGS) Title 10, Chapter 167a and is administered by the Connecticut State Teachers' Retirement Board (the Board). The TRS is included as a fiduciary pension trust fund in the State of Connecticut's Comprehensive Annual Financial Report and the Board issues publicly available financial reports which can be found at https://portal.ct.gov.

Benefit Provisions

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

Normal Retirement: Retirement benefits for the employees are calculated as 2.0% of the average annual salary times the years of credited service (maximum benefit of 75.0% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of the 6.0% contributions made prior to July 1, 1989 and voluntary contributions are payable.

Early Retirement: Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6.0% per year for the first 5 years proceeding normal retirement age and 4.0% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.0% per year by which retirement precedes normal retirement date.

Minimum Benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly benefit of $1,200 to teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service at retirement.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required to be eligible for non-service related disability. Disability benefits are calculated as 2% per years of service times the average of the highest three years of pensionable salary, as defined per the Plan, but not less than 15%, nor more than 50%. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of Social Security benefits and worker's compensation cannot exceed 75% of average annual salary. A plan member who leaves service and has attained 10 years of service will be entitled to 100% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued working until age 60.

Pre-Retirement Death Benefit: The plan also offers a lump-sum return of contributions with interest or surviving spouse benefit depending on length of service.

Contributions

Per CGS 10-183z, contribution requirements of active employees and the State are amended and certified by the 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 amounts to finance any unfunded accrued liability.

In accordance with CGS Section 10-183z, the Town does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute 100% of an employer's contribution on behalf of its participating municipalities at an actuarially determined rate. Effective January 1, 2018, active employees are required to contribute 7.0%, of their annual earnings to the plan.

Administrative Expenses

Administrative costs of the plan are funded by the State.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Basis of Presentation

The collective net pension liability, deferred outflows and inflows of resources, and pension expense for the TRS has been measured as of June 30, 2024 based on an actuarial valuation performed as of June 30, 2024. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of the June 30, 2024 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2024 and for reporting the proportionate share of the collective net pension liability that is attributed to the Town as of June 30, 2024. This liability is allocated entirely to the State of Connecticut.

Allocation Methodology

The schedule of employer allocations for the TRS was calculated based upon the fiscal year 2019 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer.

The components associated with the collective pension expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Annual Comprehensive Financial Report as of and for the year ended June 30, 2024. The portion of the collective pension expense allocated to the Town totaled $11,800,127. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2025.

The total collective net pension liability of participating employers for the TRS was approximately $15.8 billion as of June 30, 2024 measurement date. The portion attributed to the Town totaled $102,876,253 or approximately 0.652% of the total collective net pension liability.

Actuarial Assumptions

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

Inflation	2.50%
Salary increases	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation
Administrative expenses	$0 assumption as expenses are paid for by the General Assembly

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

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

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Long-Term Rate of Return

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

Asset Class	Target Allocation	Long-term 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%
	100.00%	

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

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 the 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.

Proportionate Share of the Collective Net Pension Liability

The following presents the proportionate share of the collective net pension liability attributed to the Town as of the June 30, 2024 measurement date, calculated using a discount rate of 6.90%, as well as what the proportionate share of the net pension liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease 5.90%	Current Discount 6.90%	1% Increase 7.90%
Town's proportionate share of the State's total net pension liability	$ 138,019,359	$ 102,876,253	$ 73,700,978

NEW ENGLAND TEAMSTERS AND TRUCKING INDUSTRY PENSION FUND

Pursuant to the Reentry Agreement between the Town and Teamsters Union Local No. 443 effective July 1, 2012, the Town is required to contribute to the New England Teamsters and Trucking Industry Pension Fund, a multiple-employer defined-contribution plan, on behalf of full-time employees in the Public Works Department. The parties, through this agreement, can amend plan provisions and contribution requirements. The Town's required contribution for the fiscal year ended June 30, 2025 was $5.10 for each hour worked up to a maximum of $204.00 per week for any one employee. The contribution made during the fiscal year ended June 30, 2025 was $220,631, which represents 14.73% of covered payroll of $1,497,644

Effective June 30, 2012, the Town withdrew from the Pension Fund and agreed to a withdrawal liability of $4,362,977 consisting of 300 monthly payments of $14,543 to be made over a 25-year period commencing on July 1, 2012, and ending on July 31, 2037. During the fiscal year ended June 30, 2025, the Town paid $174,516 in accordance with the schedule.

The total amount contributed to the New England Teamsters Pension Fund during the fiscal year was $395,147, which represented 25.57% of covered payroll.

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED CONTRIBUTION RETIREMENT PLAN

The Town established a defined contribution plan effective October 17, 2011. Any full-time employee who is not in the Defined Benefit Plan is eligible to participate. There is a mandatory participant contribution between 3-8% of employee's base earnings; the employer will match that contribution. The participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan participant. The Town specifies the following vesting schedule:

After one (1) year of service: 20% vested
After two (2) year of service: 40% vested
After three (3) year of service: 60% vested
After four (4) year of service: 80% vested
After five (5) year of service: 100% vested

Total contribution to the plan for the year ended June 30, 2025, was $689,067 for each of the employees and the Town.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

RETIREE BENEFIT PROGRAM

Plan Description

The Town, in accordance with various collective bargaining agreements, provides medical, dental and life insurance benefits to eligible retirees and their spouses. The plan covers Town, Police, Fire and Board of Education employees. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

The Town began fund its OPEB Trust on July 1, 2022. The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Post Employment Benefits Trust Fund. The Town does not issue a standalone financial report for the plan. The plan is a single-employer plan.

Management of the Plan rests with an OPEB Board. The Pension Committee, by Town ordinance, shall constitute the OPEB Board for the OPEB Trust. Membership on the OPEB Board shall be subject to all of the applicable terms governing the Pension Committee, and appointed by the Town of Guilford Board of Selectmen. Members of the OPEB Board shall serve for four (4) years. One of the OPEB Board members shall be designated Chairman by the OPEB Board.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

RETIREE BENEFIT PROGRAM (CONTINUED)

Plan Membership

Membership of the OPEB Plan consisted of the following as of July 1, 2024, the date of the latest actuarial valuation:

Active plan members	671
Retired members	61
Spouses of retired members	12
Beneficiaries	2
Total members	746

Contributions

The Town has adopted a five-year laddered funding policy for the OPEB Trust. Contributions to the Trust shall be part of the budget process. The Town and the Board of Education shall contribute to the Trust based on the 5-year plan. Administrative costs of the Trust are financed through investment earnings.

Benefits Provided

The Town plan provides for medical benefits for all eligible Board of Education retirees. The Town plan provides self-insured medical and prescription drug coverage for all eligible teachers and administrators retiring from the Teachers Retirement Act. The retiree pays 100% of the premium less the state subsidy for medical coverage for either the lifetime of the employee and spouse or until participating in Medicare. Surviving spouses are eligible to continue coverage upon death of the retiree by continuing to pay 100% of the premium less the state subsidy for medical coverage. The results are highly dependent on two key assumptions: the assumed rate at which medical costs will increase over time and the discount rate used to translate future payments into current dollars.

Net OPEB Liability

The Town’s net OPEB liability was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024. The components are as follows:

Total OPEB liability	$ 18,388,028
Plan fiduciary net position	3,780,952
Town's net OPEB liability	$ 14,607,076
Plan fiduciary net position as a percentage of the total OPEB liability	20.56%

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

RETIREE BENEFIT PROGRAM (CONTINUED)

Actuarial Assumptions – The total OPEB liability as of June 30, 2025 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate / Rate of return	6.00%
Inflation rate	2.50%
Salary increases	Varies by group
Healthcare cost trend rate	6.50% initial
	4.50% final

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Core Fixed Income	40.00%	2.20%
US Broad Equity Market	30.25%	3.76%
Non-US Equity	24.75%	5.35%
Global REIT's	5.00%	4.57%
	100.00%	

Rate of return – For the year ended June 30, 2025 the annual money-weighted rate of return on plan investments, net of plan investment expenses, was 11.68% for each of the plan. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

Mortality – BOE Certified: PubT-2010 Mortality Table for Employees and Healthy and Disabled Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 Ultimate scale.

All Other Employees: Pub-2010 Mortality Table for Employees, Healthy Annuitants and Disabled Annuitants with generational projection of future improvements per the MP Ultimate scale. PubS-2010 tables are used for public safety groups.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

RETIREE BENEFIT PROGRAM (CONTINUED)

Changes in Total OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance as of July 1, 2024	$ 16,485,975	$ 3,087,941	$ 13,398,034
Changes for the year:			
Service cost	430,231	--	430,231
Interest	984,772	--	984,772
Effect of plan changes	3,110,451	--	3,110,451
Differences between expected and actual experience	(1,983,167)	--	(1,983,167)
Changes assumptions	381,352	--	381,352
Contributions - employer	--	1,323,380	(1,323,380)
Net investment income	--	392,881	(392,881)
Benefit payments, including refunds	(1,021,586)	(1,021,586)	--
Administrative expenses	--	(1,664)	1,664
Net changes	1,902,053	693,011	1,209,042
Balance as of June 30, 2025	$ 18,388,028	$ 3,780,952	$ 14,607,076

Discount Rate – The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on the OPEB Plan's investments were applied to all periods of projected benefit payments to determine the OPEB Plan's total OPEB liability.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

RETIREE BENEFIT PROGRAM (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the Town's net OPEB liability for the OPEB Plan, calculated using the discount rate disclosed above, as well as what the Town's net OPEB liability would be for the OPEB Plan if it were calculated using the discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	Discount Rates		
	1% Decrease 5.00%	Current 6.00%	1% Increase 7.00%
Total OPEB Liability	$ 16,765,446	$ 14,607,076	$ 12,767,589

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the Town's net OPEB liability for the OPEB Plan as well as what the Town's net OPEB liability would be for the OPEB Plan if it were calculated using a health care trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Healthcare Cost Trend Rates		
	1% Decrease	Current	1% Increase
Total OPEB Liability	$ 12,389,340	$ 14,607,076	$ 17,292,621

For the year ended June 30, 2025, the Town recognized OPEB expense of $2,775,761. At June 30, 2025, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ --	$ 158,613
Changes of assumptions	1,456,603	8,780,311
Differences between expected and actual experience	371,934	5,044,604
Total	$ 1,828,537	$ 13,983,528

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

RETIREE BENEFIT PROGRAM (CONTINUED)

OPEB Expense and Deferred Outflows and Inflows of Resources

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

Year Ended June 30,	
2026	$ (1,747,067)
2027	(2,539,583)
2028	(2,532,347)
2029	(2,504,965)
2030	(2,465,254)
Thereafter	(365,775)
	$ (12,154,991)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

The faculty and professional personnel of the Town's Board of Education participates in the State of Connecticut's Teachers' Retirement System (TRS) which is a cost sharing multiple employer defined benefit pension plan that provides retirement, disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statute (CGS) *Title 10, Chapter 167a* and is administered by the Connecticut State Teachers' Retirement Board (the Board). The OPEB trust fund is included in the TRS, and the TRS is included in the State of Connecticut audit as a pension trust fund.

Benefit Provisions

The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

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

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).

Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Contributions

Per CGS 10-183z, which reflects Public Act 79-436 (as amended), contribution requirements of active employers and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of Plan costs through an annual appropriation in the General Fund. School district employers are not required to make contributions to the Plan.

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

Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Administrative Expenses

Administrative costs of the plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Basis of Presentation

The collective net OPEB liability, deferred outflows and inflows of resources, and OPEB expense for the TRS has been measured as of June 30, 2024 based on an actuarial valuation performed as of June 30, 2024. Since the Town does not contribute to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of June 30, 2024 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2024 and for reporting the proportionate share of the collective net OPEB liability that is attributed to the Town as of June 30, 2024.

The components associated with the OPEB expense and deferred inflows and outflows of resources have been determined using the unrecognized portions of each year's experience and assumption changes for the year ended June 30, 2024.

Allocation Methodology

The schedule of allocations have been prepared to provide the total amount of employer contributions from the State and the proportionate share percentages that have been determined based on these contributions.

The components associated with the collective OPEB expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Annual Comprehensive Financial Report as of and for the year ended June 30, 2024. The portion of the collective OPEB expense allocated to the Town totaled $292,402. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2025.

The total collective net OPEB liability of participating employers for the TRS was approximately $3.2 billion as of the June 30, 2024 measurement date. The portion attributed to the Town totaled $21,103,456 or approximately 0.652% of the total collective net OPEB liability.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Actuarial Assumptions

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

Inflation	2.50%
Real wage growth	0.50%
Wage inflation	3.00%
Salary increases	3.00%-6.50%, including inflation
Investment rate of return	3.00%, net of investment related expense
Discount rate	3.93%
Healthcare cost trend rates:	
Medicare	Known increases until calendar year 2024, then general trend decrease to an ultimate rate of 4.5% by 2031.

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

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the actuarial valuation process. Several factors are considered in evaluation of the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change in the market that alters expected returns in the future years.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. Treasuries (Cash Equivalents)	100.00%	1.10%

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2024. In addition to the actuarial methods and assumptions of the June 30, 2024 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate.
- Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- No future employer contributions were assumed to be made.
- For future plan members, contribution inflows were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2025 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

Proportionate Share of the Collective Net OPEB Liability

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2024 measurement date, calculated using a discount rate of 3.93%, as well as what the proportionate share of the net OPEB liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (3.93%) than the current rate:

	1% Decrease 2.93%	Current Discount 3.93%	1% Increase 4.93%
Town's proportionate share of the State's total net OPEB liability	$ 25,764,581	$ 21,103,456	$ 17,473,879

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2024 measurement date, calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates 3.50%	Current Trend Rates 4.50%	1% Increase in Trend Rates 5.50%
Town's proportionate share of the State's total net OPEB liability	$ 17,240,704	$ 21,103,456	$ 26,440,855

NOTE 12 – RISK MANAGEMENT

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

The Town has chosen to establish a Self-Insurance Fund for risks associated with the employees' health insurance plan. This fund is accounted for as an Internal Service Fund where assets are set aside for claim settlements. A premium is charged to each fund that accounts for full or part-time employees. The total charge allocated to each of the funds is calculated using employee rates determined by the self-insurance administrator.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that has been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for salvage or subrogation, are another component of the claims liability estimate. All claims are reflected in the statement of net position as current liabilities based on prior years' experience.

NOTE 12 – RISK MANAGEMENT (CONTINUED)

A summary of the Town's portion of claims activity for the last three years are as follows:

Year Ended June 30,	Claims Payable, Beginning of Year	Claims and Changes in Estimates	Claims Paid	Claims Payable, End of Year
2025	$ 1,085,000	$ 19,180,140	$ 18,885,140	$ 1,380,000
2024	$ 996,944	$ 15,390,764	$ 15,302,708	$ 1,085,000
2023	$ 1,112,000	$ 14,558,497	$ 14,673,553	$ 996,944

NOTE 13 – COMMITMENTS AND CONTINGENCIES

GRANTS AND CONTRACTS

The amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already received, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

LITIGATION

The Town is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the risk management program are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of lawsuits and claims will not have a material adverse effect on the financial position of the Town.

REQUIRED SUPPLEMENTARY INFORMATION

This page intentionally left blank.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL – BUDGETARY BASIS
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
Revenue				
Property taxes, interest and lien fees	$ 110,286,588	$ 110,286,588	$ 110,143,540	$ (143,048)
Intergovernmental				
State of Connecticut - general government	1,497,440	1,497,440	1,165,611	(331,829)
State of Connecticut - board of education	1,766,084	1,766,084	1,721,879	(44,205)
Total Intergovernmental Revenues	3,263,524	3,263,524	2,887,490	(376,034)
Local Sources				
Licenses, fees and permits				
Board of Selectmen	5,000	5,000	35,624	30,624
Town clerk	854,650	854,650	920,267	65,617
Charges for services				
Engineering	12,000	12,000	12,840	840
Public works	30,000	30,000	38,166	8,166
Assessor	1,100	1,100	488	(612)
Building department	750,000	750,000	708,284	(41,716)
Planning and zoning	30,000	30,000	50,247	20,247
Natural resources	15,000	15,000	18,991	3,991
Zoning board of appeals	4,000	4,000	916	(3,084)
Police department	51,252	51,252	47,114	(4,138)
Fire department	981,000	981,000	1,603,086	622,086
Social services	150	150	--	(150)
Department of health	48,785	48,785	59,732	10,947
Youth and family services	199,000	199,000	237,500	38,500
Parks and recreation department	151,300	151,300	177,519	26,219
Golf	275,000	275,000	334,183	59,183
Historic district	1,875	1,875	2,250	375
Interest and dividends	970,000	970,000	942,975	(27,025)
Total Local Sources	4,380,112	4,380,112	5,190,182	810,070
Total Revenue	117,930,224	117,930,224	118,221,212	290,988
Other Financing Sources:				
Use of fund balance	--	550,352	--	(550,352)
Total Other Financing Sources	--	550,352	--	(550,352)
Total Revenues and Other Financing Sources	$ 117,930,224	$ 118,480,576	$ 118,221,212	$ (259,364)

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	(Over) Under
General Government				
Board of selectmen	$ 469,921	$ 469,921	$ 457,466	$ 12,455
Town clerk	223,422	223,422	215,330	--
Finance	479,540	479,972	478,705	1,267
Human resources	189,134	199,134	197,332	1,802
Information systems	594,374	603,650	603,643	7
Insurance	813,329	762,329	761,547	782
Registrar of voters	138,817	138,817	138,679	138
Legal	408,265	267,865	267,847	18
Engineering	356,685	333,685	333,132	553
Buildings	371,056	371,056	357,233	13,823
Assessor	267,793	210,474	210,439	35
Board of assessment appeals	5,050	5,050	4,978	72
Tax collector	197,351	183,351	180,354	2,997
Planning and zoning	264,592	262,592	258,337	4,255
Zoning board of appeals	2,630	2,630	1,529	1,101
Natural resources	372,255	271,214	270,878	336
Economic development commission	55,461	52,461	45,304	7,157
Historic district	4,100	4,100	3,285	815
Library	1,253,207	1,253,207	1,248,705	4,502
Total General Government	6,466,982	6,094,930	6,034,723	52,115
Public Safety				
Police department	5,648,296	5,657,759	5,657,140	619
Fire department	6,037,264	6,637,665	6,637,665	--
Communications department	820,895	869,448	869,110	338
Total Public Safety	12,506,455	13,164,872	13,163,915	957
Health and Welfare				
Department of health	341,134	341,836	340,953	883
Social services	241,410	241,410	238,984	(2,426)
Human services	119,691	119,691	119,691	--
Youth and family services	802,255	787,255	787,232	23
Total Health and Welfare	1,504,490	1,490,192	1,486,860	(1,520)
Public Works				
Public works department	2,559,858	2,503,858	2,493,129	10,729
Town properties	1,128,629	1,128,629	1,113,947	14,682
Total Public Works	3,688,487	3,632,487	3,607,076	25,411

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	(Over) Under
Culture and Recreation				
Parks and recreation department	2,063,749	1,950,749	1,950,679	70
Golf	325,419	390,419	390,379	40
Total Parks and Recreation	2,389,168	2,341,168	2,341,058	110
Education				
Board of education	71,122,151	70,971,520	70,971,520	--
Total Education	71,122,151	70,971,520	70,971,520	--
Pension and other employee benefits	8,923,723	8,822,311	8,822,291	20
Debt Service				
Principal retirement	7,087,467	7,087,467	7,087,466	1
Interest	3,079,380	3,079,380	3,079,379	1
Total Debt Service	10,166,847	10,166,847	10,166,845	2
Capital Outlay	1,076,921	1,711,249	1,631,183	80,066
Total Expenditures	117,845,224	118,395,576	118,225,471	157,161
Other Financing Uses				
Transfer out	85,000	85,000	85,000	--
Total Other Financing Uses	85,000	85,000	85,000	--
Total Expenditures and Uses	117,930,224	118,480,576	118,310,471	157,161
Excess (Deficiency) of Revenues Over Expenditures - Budgetary	$ --	$ --	$ (89,259)	$ 157,161

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of net pension liability attributed to the Town	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%
Town's proportionate share of the net pension liability	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
State's proportionate share of the net pension liability attributed to the Town	102,876,253	110,078,016	117,865,801	97,479,841	123,079,291	110,417,597	85,138,383	89,377,099	94,293,524	73,088,842
Total	$ 102,876,253	$ 110,078,016	$ 117,865,801	$ 97,479,841	$ 123,079,291	$ 110,417,597	$ 85,138,383	$ 89,377,099	$ 94,293,524	$ 73,088,842
Town's covered payroll	$ 32,104,300	$ 31,169,223	$ 29,997,293	$ 28,998,356	$ 28,399,034	$ 27,890,705	$ 27,137,830	$ 26,751,436	$ 23,285,404	$ 23,251,427
Town's proportionate share of the 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 total pension liability	62.68%	64.72%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
EMPLOYEES' PENSION PLAN

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	$ 643,540	$ 672,755	$ 739,155	$ 707,223	$ 747,150	$ 708,567	$ 738,254	$ 777,783	$ 841,660	$ 778,532
Interest	2,553,794	2,460,007	2,389,152	2,339,881	2,265,437	2,079,997	1,942,842	1,874,765	1,781,139	1,430,662
Changes in benefit terms	90,501	337,557	--	--	--	--	--	--	86,039	697,036
Differences between expected and actual experience	(165,246)	(174,641)	(239,740)	(415,771)	(217,680)	(77,960)	369,790	(352,524)	(256,202)	379,533
Changes of assumptions	--	--	(92,623)	1,158,339	1,083,513	2,512,146	--	662,168	518,184	2,063,541
Benefit payments, including refunds	(1,677,667)	(1,594,310)	(1,402,931)	(1,138,388)	(1,037,383)	(991,305)	(833,436)	(781,117)	(380,178)	(430,201)
Net change in total pension liability	1,444,922	1,701,368	1,393,013	2,651,284	2,841,037	4,231,445	2,217,450	2,181,075	2,590,642	4,919,103
Total pension liability - beginning	44,597,372	42,896,004	41,502,991	38,851,707	36,010,670	31,779,225	29,561,775	27,380,700	24,790,058	19,870,955
Total pension liability - ending	46,042,294	44,597,372	42,896,004	41,502,991	38,851,707	36,010,670	31,779,225	29,561,775	27,380,700	24,790,058
Plan Fiduciary Net Position										
Contributions - employer	1,106,698	1,144,569	1,155,462	1,243,616	1,142,823	1,191,328	1,123,550	949,847	1,014,989	957,362
Contributions - members	230,283	239,126	251,539	268,963	278,073	294,421	313,166	316,420	335,570	291,088
Net Investment Income	4,113,328	3,685,393	2,789,728	(5,416,607)	7,958,227	1,465,295	1,562,666	1,198,194	1,488,681	546,755
Benefit payments, including refunds	(1,677,667)	(1,594,310)	(1,402,931)	(1,138,388)	(1,037,383)	(991,305)	(833,436)	(781,117)	(380,178)	(430,201)
Administrative expense	(3,411)	(3,251)	(11,660)	(2,727)	(11,015)	(9,903)	(2,122)	--	--	--
Net change in plan fiduciary net position	3,769,231	3,471,527	2,782,138	(5,045,143)	8,330,725	1,949,836	2,163,824	1,683,344	2,459,062	1,365,004
Plan fiduciary net position - beginning	38,777,184	35,305,657	32,523,519	37,568,662	29,237,937	27,288,101	25,124,277	23,440,933	20,981,871	19,616,867
Plan fiduciary net position - ending	42,546,415	38,777,184	35,305,657	32,523,519	37,568,662	29,237,937	27,288,101	25,124,277	23,440,933	20,981,871
Town's Net Pension Liability	$ 3,495,879	$ 5,820,188	$ 7,590,347	$ 8,979,472	$ 1,283,045	$ 6,772,733	$ 4,491,124	$ 4,437,498	$ 3,939,767	$ 3,808,187
Plan fiduciary net position as a percentage of total pension liability	92.41%	86.95%	82.31%	78.36%	96.70%	81.19%	85.87%	84.99%	85.61%	84.64%
Covered Payroll	$ 4,785,801	$ 5,111,099	$ 5,171,286	$ 4,815,540	$ 5,070,240	$ 5,285,251	$ 5,167,840	$ 5,606,594	$ 7,188,230	$ 7,286,617
Town's net pension liability as a percentage of covered payroll	73.05%	113.87%	146.78%	186.47%	25.31%	128.14%	86.91%	79.15%	54.81%	52.26%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
EMPLOYEES' PENSION PLAN

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 1,106,698	$ 1,114,082	$ 1,155,462	$ 1,243,616	$ 1,142,823	$ 1,181,328	$ 1,123,550	$ 949,847	$ 1,014,989	$ 957,362
Contributions in relation to the actuarially determined contribution	1,106,698	1,144,568	1,155,462	1,243,616	1,142,823	1,181,328	1,123,550	949,847	1,014,989	957,362
Contribution deficiency	$ --	$ (30,486)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered employee payroll	$ 4,785,801	$ 5,111,099	$ 5,171,286	$ 4,815,540	$ 5,070,240	$ 5,285,251	$ 5,167,840	$ 5,606,594	$ 7,188,230	$ 7,286,617
Contributions as a percentage of covered employee payroll	23.12%	22.39%	22.34%	25.83%	22.54%	22.35%	21.74%	16.94%	14.12%	13.14%
Annual money-weighted rate of return, net of investment expense	10.54%	10.35%	8.52%	-14.89%	27.10%	5.28%	6.16%	5.07%	7.00%	2.82%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE RETIREMENT PLAN

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	$ 231,581	$ 258,320	$ 298,265	$ 371,735	$ 392,158	$ 396,026	$ 385,819	$ 401,606	$ 354,833	$ 367,021
Interest	2,012,975	1,931,472	1,892,960	1,897,106	1,882,832	1,776,583	1,756,521	1,752,272	1,706,595	1,589,824
Differences between expected and actual experience	193,016	665,768	512,017	21,322	86,902	263,662	(273,511)	(148,499)	514,837	(122,391)
Changes of assumptions	--	665,335	(25,674)	915,963	865,634	1,986,820	--	640,969	447,218	1,103,046
Benefit payments, including refunds	(2,107,110)	(2,047,170)	(1,890,683)	(1,770,051)	(1,658,549)	(1,593,445)	(1,548,057)	(1,583,933)	(1,399,452)	(1,119,611)
Net change in total pension liability	330,462	1,473,725	786,885	1,436,075	1,568,977	2,829,646	320,772	1,062,415	1,624,031	1,817,889
Total pension liability - beginning	35,815,510	34,341,785	33,554,900	32,118,825	30,549,848	27,720,202	27,399,430	26,337,015	24,712,984	22,895,095
Total pension liability - ending	36,145,972	35,815,510	34,341,785	33,554,900	32,118,825	30,549,848	27,720,202	27,399,430	26,337,015	24,712,984
Plan Fiduciary Net Position										
Contributions - employer	967,882	900,241	876,781	915,379	808,481	785,612	797,029	670,238	437,809	785,553
Contributions - members	129,127	134,001	142,932	155,251	171,339	170,157	177,771	184,889	186,195	201,988
Net investment income	2,946,002	2,721,001	2,128,778	(4,475,175)	6,564,838	1,262,041	1,409,901	1,137,790	1,526,050	586,805
Benefit payments, including refunds	(2,107,110)	(2,047,170)	(1,890,683)	(1,770,051)	(1,658,549)	(1,593,445)	(1,548,057)	(1,583,933)	(1,399,452)	(1,119,611)
Administrative expense	(2,443)	(2,401)	(8,897)	(3,178)	(9,086)	(8,530)	(1,915)	--	--	--
Net change in plan fiduciary net position	1,933,458	1,705,672	1,248,911	(5,177,774)	5,877,023	615,835	834,729	408,984	750,602	454,735
Plan fiduciary net position - beginning	27,772,562	26,066,890	24,817,979	29,995,753	24,118,730	23,502,895	22,668,166	22,259,182	21,508,580	21,053,845
Plan fiduciary net position - ending	29,706,020	27,772,562	26,066,890	24,817,979	29,995,753	24,118,730	23,502,895	22,668,166	22,259,182	21,508,580
Town's Net Pension Liability	$ 6,439,952	$ 8,042,948	$ 8,274,895	$ 8,736,921	$ 2,123,072	$ 6,431,118	$ 4,217,307	$ 4,731,264	$ 4,077,833	$ 3,204,404
Plan fiduciary net position as a percentage of total pension liability	82.18%	77.54%	75.90%	73.96%	93.39%	78.95%	84.79%	82.73%	84.52%	87.03%
Covered Payroll	$ 1,586,701	$ 1,752,103	$ 2,130,721	$ 1,941,176	$ 2,177,534	$ 2,120,877	$ 1,953,628	$ 2,344,354	$ 2,453,338	$ 2,913,282
Town's net pension liability as a percentage of covered payroll	405.87%	459.05%	388.36%	450.08%	97.50%	303.23%	215.87%	201.82%	166.22%	109.99%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
POLICE RETIREMENT PLAN

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 967,882	$ 849,414	$ 876,781	$ 915,379	$ 808,481	$ 785,612	$ 797,029	$ 670,238	$ 437,809	$ 785,553
Contributions in relation to the actuarially determined contribution	967,882	900,241	876,781	915,379	808,481	785,612	797,029	670,238	437,809	785,553
Contribution deficiency	$ --	$ (50,827)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered employee payroll	$ 1,586,701	$ 1,752,103	$ 2,130,721	$ 1,941,176	$ 2,177,534	$ 2,120,877	$ 1,953,628	$ 2,344,354	$ 2,453,338	$ 2,913,282
Contributions as a percentage of covered employee payroll	61.00%	51.38%	41.15%	47.16%	37.13%	37.04%	40.80%	28.59%	17.85%	26.96%
Annual money-weighted rate of return, net of investment expense	10.54%	10.35%	8.52%	-14.89%	27.10%	5.28%	6.16%	5.07%	7.00%	2.82%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PUBLIC SCHOOL EMPLOYEES' PENSION PLAN

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	$ 271,574	$ 279,374	$ 321,664	$ 330,800	$ 381,540	$ 379,118	$ 405,826	$ 416,858	$ 417,287	$ 376,001
Interest	1,055,118	1,040,971	1,038,951	1,050,251	1,127,800	1,080,930	1,080,618	1,084,299	1,041,358	921,038
Changes in benefit terms	--	208,179	--	--	--	--	--	--	--	--
Differences between expected and actual experience	97,192	23,495	330,532	550,790	(151,542)	573,769	(203,038)	(119,150)	361,689	(115,277)
Changes of assumptions	--	--	(90,463)	507,180	513,539	1,262,362	--	381,540	314,087	1,269,024
Benefit payments, including refunds	(1,295,968)	(1,300,377)	(1,740,027)	(1,986,041)	(2,724,084)	(1,067,351)	(1,430,728)	(958,782)	(934,724)	(617,110)
Net change in total pension liability	127,916	251,642	(139,343)	452,980	(852,747)	2,228,828	(147,322)	804,765	1,199,697	1,833,676
Total pension liability - beginning	18,717,209	18,465,567	18,604,910	18,151,930	19,004,677	16,775,849	16,923,171	16,118,406	14,918,709	13,085,033
Total pension liability - ending	18,845,125	18,717,209	18,465,567	18,604,910	18,151,930	19,004,677	16,775,849	16,923,171	16,118,406	14,918,709
Plan Fiduciary Net Position										
Contributions - employer	838,015	871,055	867,181	891,000	860,000	700,000	810,000	1,406,714	412,737	385,000
Net investment income	1,423,454	1,309,056	1,060,003	(2,627,079)	3,840,576	738,031	841,212	635,931	858,809	346,708
Benefit payments, including refunds	(1,295,968)	(1,300,377)	(1,740,027)	(1,986,041)	(2,724,084)	(1,067,351)	(1,430,728)	(958,782)	(934,724)	(617,110)
Administrative expense	(1,181)	(1,155)	(4,430)	(1,167)	(5,316)	(4,988)	(1,142)	--	--	(12,197)
Net change in plan fiduciary net position	964,320	878,579	182,727	(3,723,287)	1,971,176	365,692	219,342	1,083,863	336,822	102,401
Plan fiduciary net position - beginning	13,419,188	12,540,609	12,357,882	16,081,169	14,109,993	13,744,301	13,524,959	12,441,096	12,104,274	12,001,873
Plan fiduciary net position - ending	14,383,508	13,419,188	12,540,609	12,357,882	16,081,169	14,109,993	13,744,301	13,524,959	12,441,096	12,104,274
Town's Net Pension Liability	$ 4,461,617	$ 5,298,021	$ 5,924,958	$ 6,247,028	$ 2,070,761	$ 4,894,684	$ 3,031,548	$ 3,398,212	$ 3,677,310	$ 2,814,435
Plan fiduciary net position as a percentage of total pension liability	76.32%	71.69%	67.91%	66.42%	88.59%	74.24%	81.93%	79.92%	77.19%	81.13%
Covered Payroll	$ 2,705,299	$ 2,767,219	$ 3,142,011	$ 3,326,489	$ 3,774,841	$ 4,139,901	$ 4,396,641	$ 4,709,202	$ 5,051,980	$ 5,227,413
Town's net pension liability as a percentage of covered payroll	164.92%	191.46%	188.57%	187.80%	54.86%	118.23%	68.95%	72.16%	72.79%	53.84%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
PUBLIC SCHOOL EMPLOYEES' PENSION PLAN

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 838,015	$ 850,780	$ 867,181	$ 887,241	$ 859,869	$ 868,345	$ 959,690	$ 905,710	$ 758,694	$ 612,839
Contributions in relation to the actuarially determined contribution	838,015	871,055	867,181	891,000	860,000	700,000	810,000	317,750	412,737	385,000
Contribution deficiency	$ --	$ (20,275)	$ --	$ (3,759)	$ (131)	$ 168,345	$ 149,690	$ 587,960	$ 345,957	$ 227,839
Covered employee payroll	$ 2,705,299	$ 2,767,219	$ 2,142,011	$ 3,326,489	$ 3,774,841	$ 4,139,901	$ 4,396,641	$ 4,709,202	$ 5,051,980	$ 5,227,413
Contributions as a percentage of covered employee payroll	30.98%	31.48%	40.48%	26.78%	22.78%	16.91%	18.42%	6.75%	8.17%	7.37%
Annual money-weighted rate of return, net of investment expense	10.54%	10.35%	8.52%	-14.89%	27.10%	5.28%	6.16%	5.07%	7.00%	2.82%

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS
VOLUNTEER FIRE DEPARTMENT PLAN

LAST NINE FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability									
Service cost	$ 11,178	$ 15,622	$ 13,451	$ 31,483	$ 26,362	$ 26,314	$ 24,198	$ 40,580	$ 43,993
Interest	103,458	99,932	109,896	78,472	84,898	80,596	81,163	80,676	73,916
Differences between expected and actual experience	--	84,677	--	--	--	--	--	(38,364)	--
Changes of assumptions	(320,708)	--	199,568	(995,151)	329,465	201,000	100,453	44,875	(187,899)
Benefit payments, including refunds	(97,332)	(107,245)	(115,870)	(55,488)	(43,611)	(40,257)	(25,722)	(23,832)	(18,642)
Net change in total pension liability	(303,404)	92,986	207,045	(940,684)	397,114	267,653	180,092	103,935	(88,632)
Total pension liability - beginning	2,922,491	2,829,505	2,622,460	3,563,144	3,166,030	2,898,377	2,718,285	2,614,350	2,702,982
Total pension liability - ending	$ 2,619,087	$ 2,922,491	$ 2,829,505	$ 2,622,460	$ 3,563,144	$ 3,166,030	$ 2,898,377	$ 2,718,285	$ 2,614,350
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town's net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS PLAN

LAST EIGHT FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	$ 430,231	$ 332,240	$ 328,411	$ 788,220	$ 1,213,323	$ 872,352	$ 794,486	$ 926,798
Interest	984,772	963,917	900,358	556,966	813,750	1,000,928	1,023,998	875,750
Effect of plan changes	3,110,451	--	--	--	--	--	--	--
Differences between expected and actual experience	(1,983,167)	--	524,784	--	(6,249,872)	--	(1,539,946)	--
Changes of assumptions	381,352	--	352,867	(10,727,151)	(5,536,787)	6,900,391	520,468	(2,977,829)
Benefit payments, including refunds	(1,021,586)	(1,070,839)	(1,031,595)	(854,290)	(847,982)	(931,222)	(833,900)	(802,162)
Net change in total OPEB liability	1,902,053	225,318	1,074,825	(10,236,255)	(10,607,568)	7,842,449	(34,894)	(1,977,443)
Total OPEB liability - beginning	16,485,975	16,260,657	15,185,832	25,422,087	36,029,655	28,187,206	28,222,100	30,199,543
Total OPEB liability - ending	$ 18,388,028	$ 16,485,975	$ 16,260,657	$ 15,185,832	$ 25,422,087	$ 36,029,655	$ 28,187,206	$ 28,222,100
Plan Fiduciary Net Position								
Contributions - employer	1,323,380	1,282,839	1,138,595	3,554,290	847,982	931,222	833,900	802,162
Net investment income	392,881	298,008	175,702	(403,236)	--	--	--	--
Benefit payments, including refunds	(1,021,586)	(1,070,839)	(1,031,595)	(854,290)	(847,982)	(931,222)	(833,900)	(802,162)
Administrative expense	(1,664)	(1,533)	--	--	--	--	--	--
Net change in change in plan fiduciary net position	693,011	508,475	282,702	2,296,764	--	--	--	--
Plan fiduciary net position - beginning	3,087,941	2,579,466	2,296,764	--	--	--	--	--
Plan fiduciary net position - ending	3,780,952	3,087,941	2,579,466	2,296,764	--	--	--	--
Town's Net OPEB Liability	$ 14,607,076	$ 13,398,034	$ 13,681,191	$ 12,889,068	$ 25,422,087	$ 36,029,655	$ 28,187,206	$ 28,222,100
Plan fiduciary net position as a percentage of total OPEB liability	20.56%	18.73%	15.86%	15.12%	0.00%	0.00%	0.00%	0.00%
Covered payroll	$ 51,303,694	$ 46,519,563	$ 46,519,563	$ 44,035,991	$ 44,035,991	$ 42,465,398	$ 42,465,398	N/A
Town's net OPEB liability as a percentage of covered payroll	28.47%	28.80%	29.41%	29.27%	57.73%	84.84%	66.38%	N/A

This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS PLAN

LAST EIGHT FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
Proportion of the net OPEB liability attributed to the Town	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%
Town's proportionate share of the net OPEB liability	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
State's proportionate share of the net OPEB liability attributed to the Town	21,103,456	10,312,799	10,322,341	10,620,250	18,357,281	17,220,247	17,019,716	23,004,657
Total	$ 21,103,456	$ 10,312,799	$ 10,322,341	$ 10,620,250	$ 18,357,281	$ 17,220,247	$ 17,019,716	$ 23,004,657
Town's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town's proportionate share of the 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%	1.49%

This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF GUILFORD, CONNECTICUT

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

LAST EIGHT FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
Proportion of the net OPEB liability attributed to the Town	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%	0.652%
Town's proportionate share of the net OPEB liability	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
State's proportionate share of the net OPEB liability attributed to the Town	21,103,456	10,312,799	10,322,341	10,620,250	18,357,281	17,220,247	17,019,716	23,004,657
Total	$ 21,103,456	$ 10,312,799	$ 10,322,341	$ 10,620,250	$ 18,357,281	$ 17,220,247	$ 17,019,716	$ 23,004,657
Town's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town's proportionate share of the 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%	1.49%

This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

NOTE 1 – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – BUDGETARY BASIS – GENERAL FUND

The annual budget is prepared by the Board of Selectmen in conjunction with the Board of Finance and employed for management control of the General Fund.

The budget is adopted by referendum.

Budgetary control is maintained at the department level. The Board of Finance may make budget transfers between departments and supplemental appropriations that, in the aggregate, do not exceed 1% of the approved budget. Transfers and supplemental appropriations in excess of this amount must be approved at the Town meeting. Management does not have the authority to change the budget between departments. Transfers from the contingency account are excluded from the 1% determination. During the year, no supplemental budgetary appropriations were approved. Except for those appropriations approved for continuance by the Board of Finance, unencumbered appropriations lapse at year-end.

Accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP basis). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2025:

Deficiency of Expenses and Other Financing Uses Over Revenues and Other Financing Sources - Budgetary Basis	$ (89,259)
Change in encumbrances	630,704
On-behalf state OPEB contribution - revenue	141,974
On-behalf state OPEB contribution - expenditures	(141,974)
On-behalf state pension contribution - revenue	10,140,343
On-behalf state pension contribution - expenditures	(10,140,343)
Excess of Revenue and Other Financing Sources Over Expenses and Other Financing Uses - GAAP Basis	$ 541,445

The Town's budgeting system requires accounting for certain transactions to be on a basis other than GAAP. The major difference between the budgetary and GAAP basis is that encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year end are recorded in budgetary reports as expenditures of the current year, whereas, on a GAAP basis, encumbrances are recorded as either restricted, committed or assigned fund balance depending on the level of restriction. Encumbrances do not impact the classification of fund balance.

NOTE 2 – SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years. Information to arrive at a 10 year presentation will be added once available.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2024. This information is utilized by the Town for reporting as of June 30, 2025.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumptions Changes – There have been no changes in assumptions that have had a significant effect on the measurement of the total pension liability.

NOTE 3 – SCHEDULE OF THE TOWN'S NET PENSION LIABILITY –EMPLOYEE'S PENSION PLAN, POLICE RETIREMENT PLAN AND PUBLIC SCHOOL EMPLOYEES' PENSION PLAN

The Town began to report this schedule when it implemented GASB Statement No. 67, *Financial reporting for Pension Plans – An Amendment of GASB Statement No. 25* in fiscal year 2014. GASB Statement No. 67 requires the measurement of the total pension liability.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumptions Changes – There have been no changes in assumption changes that have had a significant effect on the measurement of the total pension liability.

Actuarial determined contribution rates are calculated as of July 1, two fiscal years prior to the fiscal year in which contributions are reported. Actuarial contributions for fiscal year ending June 30, 2025 were determined from the July 1, 2024 valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level Percentage of Salary
Asset valuation method	Market Value
Inflation	2.60%
Investment rate of return	5.75%
Salary increases	2.75%

NOTE 4 – SCHEDULE OF THE TOWN'S TOTAL PENSION LIABILITY – VOLUNTEER DEPARTMENT PLAN

The Town began to report this schedule when it implemented GASB Statement No. 67, *Financial reporting for Pension Plans – An Amendment of GASB Statement No. 25* in fiscal year 2018. GASB Statement No. 67 requires the measurement of the total pension liability.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumptions Changes – There have been no changes in assumption changes that have had a significant effect on the measurement of the total pension liability.

Actuarial determined contribution rates are calculated as of July 1, two fiscal years prior to the fiscal year in which contributions are reported. Actuarial contributions for fiscal year ending June 30, 2025 were determined from the July 1, 2024 valuation.

Methods and assumptions used to determine contribution rates:

Inflation	N/A
Salary increases, including inflation	N/A
Discount rate	N/A
Mortality Rate	2020 Mortality Table

NOTE 5 – SCHEDULE OF CHANGES IN NET OPEB LIABILITY – OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, in fiscal year 2017. GASB Statement No. 74 requires the information within this schedule to be presented for the ten most recent fiscal years. Information to arrive at a 10 year presentation will be added once available.

The Town measures the total OPEB liability at the end of each fiscal year using the Entry Age Normal Method.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

The July 1, 2024 actuarial valuation directly calculated the June 30, 2025 total OPEB liability. The June 30, 2024 total OPEB liability was increased by service cost and interest and decreased by benefit payments to estimate the total OPEB liability as of June 30, 2025.

NOTE 5 – SCHEDULE OF CHANGES IN NET OPEB LIABILITY – OTHER POST-EMPLOYMENT BENEFITS PLAN (CONTINUED)

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2025:

Actuarial cost method	Entry Age
Amortization method	Level percentage of Salary
Asset valuation method	Market Value
Inflation	2.50%
Discount rate	6.00%
Healthcare cost trend rates	6.50%, current
	4.50%, final

NOTE 6 – SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY – CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2024. This information is utilized by the Town for reporting as of June 30, 2025.

Benefit Changes – There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

Assumption Changes – There have been no changes in assumptions that have had a significant effect on the measurement of the total OPEB liability.

APPENDIX B – FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX EXEMPTION

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the successful purchaser when the Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of the Town authorizing the Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the successful purchaser.

The opinion of Shipman & Goodwin LLP will be in substantially the following form:

Town of Guilford, Connecticut
Town Hall
31 Park Street
Guilford, Connecticut 06437

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Town of Guilford, Connecticut (the "Town") of its $5,000,000 General Obligation Bonds, Issue of 2026, dated October 7, 2026, maturing October 1, 2028-2046 (the "Bonds").

In connection with our representation of the Town as bond counsel with respect to the Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the Town, each dated as of October 7, 2026, the executed Bonds, and certified records of proceedings of the Town authorizing the Bonds. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein:

1. We are of the opinion that the proceedings and above-referenced evidence show lawful authority for the issuance and sale of the Bonds under the authority of the constitution and statutes of the State of Connecticut, and that the Bonds are valid and binding general obligations of the Town payable, with respect to both principal and interest, unless paid from other sources, from *ad valorem* taxes which may be levied on all property subject to taxation by the Town without limitation as to rate or amount except as to classified property. Classified property includes certified forest land which is taxable at a limited rate. Classified property also includes dwelling houses of qualified elderly persons of low income which are taxable at limited amounts.

2. We are of the opinion that the Tax Compliance Agreement is a valid and binding agreement of the Town and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the Town.

3. The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds if interest on the Bonds is to be excludable from gross income under Section 103 of the Code. The Town has covenanted in the Tax Compliance Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes under the Code. In our opinion, under existing law:

(i) interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code; and

(ii) such interest is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals 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 under the Code.

We express no opinion regarding other federal income tax consequences caused by ownership of, or receipt of interest on, the Bonds. In rendering the foregoing opinions regarding the federal income tax 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 Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the Town with the covenants set forth in the Tax Compliance Agreement. The inaccuracy of the representations, statements of intention and reasonable expectations, and certifications of fact, contained in the Tax Certificate or the Tax Compliance Agreement, or the failure of the Town to fully comply with the covenants set forth therein, 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.

4. We are of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

The rights of the holders of the Bonds and the enforceability of the Bonds and the enforceability of the Tax Compliance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law, regulation or judicial interpretation that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

CERTAIN ADDITIONAL FEDERAL TAX CONSEQUENCES.

The following is a brief discussion of certain federal income tax matters with respect to the Bonds under existing statutes. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of a bond. Prospective owners of the Bonds, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Recent Tax Legislation. 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 or the interpretation thereof that may occur after the date of its opinion.

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds.

In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Alternative Minimum Tax. The Code imposes an alternative minimum tax. The alternative minimum tax is imposed on alternative minimum taxable income, which includes items of tax preference. The interest on certain tax-exempt "private activity bonds" is treated as an item of tax preference. The Town's Tax Compliance Agreement will contain certain representations and covenants to ensure that the Bonds are not "private activity bonds" so that interest on the Bonds will not be treated as an item of tax preference for purposes of calculating 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 under the Code.

Financial Institutions. The Code provides that commercial banks, thrift institutions and certain other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, other than "qualified tax-exempt obligations". The Bonds **shall be** designated by the Town as "qualified tax-exempt obligations" for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

Changes in Federal Tax Law. Legislation affecting municipal bonds is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not have an adverse effect on the tax-exempt status or the market price of the Bonds.

Other. Ownership of the Bonds may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, and individuals otherwise eligible for the earned income credit, and to taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for federal income tax purposes.

STATE OF CONNECTICUT TAX ON INTEREST.

The opinion of Bond Counsel will state in substance that, based on the record of proceedings authorizing the Bonds, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

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

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof, including the extent to which gains and losses from the sale or exchange of Bonds held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and may affect the net Connecticut minimum tax on such taxpayers who are also required to pay the federal alternative minimum tax.

ORIGINAL ISSUE DISCOUNT.

The initial public offering prices of certain maturities of the Bonds (the “OID Bonds”) may be less than their stated principal amounts. Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of the OID Bonds is sold will constitute original issue discount (“OID”). The offering prices relating to the yields set forth in this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of the OID Bonds are sold. Under existing law OID on the Bonds accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond, OID treated as having accrued while the owner holds the OID Bond will be added to the owner’s basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. 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 an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Bonds purchasing such 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 (the “OIP Bonds”) may be more than their stated principal amounts. An owner who purchases a Bond at a premium to its principal amount must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the Bond for federal income tax purposes. Prospective purchasers of Bonds should consult their tax advisors regarding the amortization of premium and the effect upon basis.

* * * * * * * * * * * * *

The information above does not purport to deal with all aspects of federal or state taxation that may be relevant to particular investors. Prospective investors, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal and state tax consequences of owning and disposing of the Bonds, including any tax consequences arising under the laws of any state or other taxing jurisdiction.

APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) certain annual financial information and operating data, (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Bonds, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before a specified date, all pursuant to a Continuing Disclosure Agreement for the Bonds in substantially the following form:

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 7th day of October, 2026 by the Town of Guilford, Connecticut (the "Town") acting by its undersigned officers, duly authorized, in connection with the issuance of the Town's $5,000,000 General Obligation Bonds, Issue of 2026 (the "Bonds"), dated October 7, 2026 for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. As of the date of this Agreement, the MSRB has designated its Electronic Municipal Market Access System ("EMMA") (http://emma.msrb.org) to receive submissions of continuing disclosure documents that are described in the Rule.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Town agrees to provide, or cause to be provided, to the MSRB in an electronic format as prescribed by the MSRB, in accordance with the provisions of the Rule and this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2026), as follows:

(i) the audited general purpose financial statements of the Town, which financial statements include the Town's general fund, any special revenue funds, enterprise and internal service (proprietary) funds, agency and trust (fiduciary) funds and the general fixed assets and general long-term debt account groups, for the prior fiscal year, which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Town prepares its financial statements in accordance with generally accepted accounting principles.

(ii) the following financial information and operating data to the extent not included in the financial statements described in (i) above:

A. amounts of the gross and the net taxable grand list applicable to the fiscal year,

B. listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,

C. percentage of the annual property tax levy uncollected as of the close of the preceding fiscal year,

D. schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,

E. calculation of total direct debt and total direct net debt as of the close of the fiscal year,

F. total direct debt and total direct net debt of the Town per capita,

G. ratios of the total direct debt and total direct net debt of the Town to the Town's net taxable grand list,

H. statement of statutory debt limitation as of the close of the fiscal year, and

I. funding status of the Town's pension benefit obligation.

(b) The financial information and operating data described above shall be provided not later than eight months after the close of the fiscal year for which such information is being provided, commencing with information for the fiscal year ending June 30, 2026. The Town agrees that if audited information is not available eight months after the close of the fiscal year, it shall submit unaudited information by such time and will submit audited information when available.

(c) Annual financial information and operating data may be provided in whole or in part by reference to other documents available to the public on the MSRB's internet website 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.

(d) The Town reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format for the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required or permitted by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Town; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule.

(e) The Town may file information with the MSRB, from time to time, in addition to that specifically required by this Agreement (a "Voluntary Filing"). If the Town chooses to make a Voluntary Filing, the Town shall have no obligation under this Agreement to update information contained in such Voluntary Filing or include such information in any future filing. Notwithstanding the foregoing provisions of this Section 2(e), the Town is under no obligation to provide any Voluntary Filing.

Section 3. Listed Events.

The Town agrees to provide, or cause to be provided, in a timely manner, not in excess of ten (10) business days after the occurrence of the event, to the MSRB in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on credit enhancements reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) 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 security, or other material events affecting the tax status of the Bonds;

(g) modifications to rights of holders of the Bonds, if material;

(h) Bond calls, if material, and tender offers;

(i) Bond defeasances;

(j) release, substitution, or sale of property securing repayment of the Bonds, if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the Town;

(m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) incurrence of a financial obligation, if material, 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 security holders, if material; and

(p) 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.

For purposes of events (o) and (p) above, the term "financial obligation" is defined as 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 does not include municipal securities for which a final official statement has been filed with the MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Town agrees to provide, or cause to be provided, in a timely manner, to the MSRB in an electronic format as prescribed by the MSRB, notice of any failure by the Town to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Town or by any agents which may be employed by the Town for such purpose from time to time.

Section 6. Termination.

The obligations of the Town under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Town ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

Section 7. Identifying Information.

All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 8. Enforcement.

The Town acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure within a reasonable time (but not exceeding thirty (30) days with respect to the undertakings set forth in Section 2 hereof or five (5) business days with respect to undertakings set forth in Sections 3 and 4 hereof) from the time the Finance Director receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Finance Director is Town of Guilford, Town Hall, 31 Park Street, Guilford, Connecticut 06437. In the event the Town does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The Town expressly acknowledges and the beneficial owners are hereby deemed to expressly agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 9. Miscellaneous.

(a) The Town shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Town from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Town elects to provide any such additional information, data or notices, the Town shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(b) This Agreement shall be governed by the laws of the State of Connecticut.

(c) Notwithstanding any other provision of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, (ii) the Agreement as so amended or waived 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, and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owner of the Bonds. A copy of any such amendment or waiver will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following the adoption of any such amendment or waiver will explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

TOWN OF GUILFORD, CONNECTICUT

By________________________________
Matthew Hoey
First Selectman

By________________________________
Maryjane Malavasi
Finance Director

APPENDIX D – NOTICE OF SALE

NOTICE OF SALE

$5,000,000

TOWN OF GUILFORD, CONNECTICUT

GENERAL OBLIGATION BONDS, ISSUE OF 2026
BOOK-ENTRY-ONLY

ELECTRONIC PROPOSALS via PARITY® Competitive Bidding System ("PARITY") will be received by the Town of Guilford, Connecticut (the "Town") at the office of the First Selectman, 2nd Floor Conference Room, 31 Park Street, Guilford, Connecticut 06437, until **11:30 A.M. (Eastern Time) on TUESDAY,**

SEPTEMBER 22, 2026

for the purchase, when issued, of the whole of the Town's $5,000,000 General Obligation Bonds, Issue of 2026, dated October 7, 2026, bearing interest payable semiannually on April 1 and October 1 in each year until maturity, commencing April 1, 2027, and maturing on October 1 in each year as follows:

2028	$275,000	2038	$270,000
2029	$275,000	2039	$270,000
2030	$275,000	2040	$270,000
2031	$275,000	2041	$270,000
2032	$270,000	2042	$240,000
2033	$270,000	2043	$240,000
2034	$270,000	2044	$240,000
2035	$270,000	2045	$240,000
2036	$270,000	2046	$240,000
2037	$270,000		

(the "Bonds"). The Bonds will be delivered against payment in Federal funds in New York, New York on or about October 7, 2026. The Bonds **shall be** designated by the Town as "qualified tax-exempt obligations" for purposes of the deduction for federal income tax purposes by financial institutions of a portion of interest expense allocable to tax-exempt obligations.

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.

The Bonds maturing on or before October 1, 2034 are not subject to redemption prior to maturity. The Bonds maturing on October 1, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Town, on and after October 1, 2034, at any time in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

Redemption Dates	**Redemption Price**
October 1, 2034 and thereafter	100%

Proposals. All proposals for the purchase of the Bonds must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of 1/20 or 1/8 of 1% the rate or rates of interest per annum which the Bonds are to bear, but shall not specify (a) more than one interest rate for any Bonds having a like maturity, or (b) any interest rate for any Bonds which exceeds the interest rate specified in such proposal for any other Bonds by more than 2%. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to any interest on the Bonds accrued to the date of delivery. **No proposal for less than the entire $5,000,000 Bonds, or for less than par and accrued interest, will be considered.**

Basis of Award. As between proposals which comply with this Notice of Sale, the Bonds will be sold to the responsible bidder or bidders offering to purchase the Bonds at the lowest true interest cost to the Town. For the purpose of determining the successful bidder, the true interest cost to the Town will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to October 7, 2026, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one responsible bidder making said offer at the same lowest true interest cost, the Bonds will be sold to the responsible bidder whose proposal is selected by the Town by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of true interest cost completed to four decimal places. Such statement shall not be considered as part of the proposal.

The Town reserves the right to reject any and all proposals, to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

Electronic Proposals Bidding Procedure. Electronic proposals for the purchase of the Bonds must be submitted through the facilities of PARITY® by **11:30 A.M. (Eastern Time), on Tuesday, September 22, 2026**. Any prospective bidder must be a subscriber of Bidcomp's competitive bidding system. Further information about Bidcomp/ PARITY®, including any fee charged, may be obtained from i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021. The Town will neither confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic proposal made through the facilities of PARITY® is communicated to the Town, it shall constitute an irrevocable offer, in response to this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed proposal delivered to the Town. By submitting a proposal for the Bonds via PARITY®, the bidder represents and warrants to the Town that such bidder's proposal 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 proposal by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice of Sale. The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY®, the use of such facilities being the sole risk of the prospective bidder.

***Disclaimer* -** Each PARITY® prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purposes of submitting its proposal in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town 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 Town nor PARITY® shall be responsible for a bidder's failure to make a proposal or for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, PARITY®. The Town is using PARITY® as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Bonds. The Town is not bound by any advice and determination of PARITY® to the effect that any particular proposal complies with the terms of this Notice of Sale and in particular the proposal requirements set forth herein. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of proposals via PARITY® are the sole responsibility of the bidders, and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a proposal for the Bonds, the prospective bidder should telephone PARITY® at (212) 849-5021. If any provision of this Notice of Sale conflicts with information provided by PARITY®, this Notice of Sale shall control.

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 proposals the true interest cost to the Town, as described under "Basis of Award" above, represented by the rate or rates of interest and the premium, if any, specified in their respective proposals. All electronic proposals shall be deemed to incorporate the provisions of this Notice of Sale.

Bond Counsel Opinion. The legal opinion of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished without charge and will be placed on file with the certifying bank for the Bonds. A copy of the opinion will be delivered to each purchaser of the Bonds. The opinion of Bond Counsel will cover the following matters: (1) that the Bonds will be valid and binding general obligations of the Town when duly certified, (2) that, assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), based on existing law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; 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 under the Code; and (3) that interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Obligation to Deliver Issue Price Certificate. Pursuant to the Code and applicable Treasury Regulations, the Town must establish the "issue price" of the Bonds. **In order to assist the Town, the winning bidder is obligated to deliver to the Town a certificate (an "Issue Price Certificate") and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Bonds.** The Town will rely on the Issue Price Certificate and such additional information in determining the issue price of the Bonds. The form of Issue Price Certificate is available by contacting Mr. William N. Lindsay, Managing Director, Munistat Services, Inc., Email: bill.lindsay@munistat.com, Telephone: (203) 421-2880, municipal advisor to the Town (the "Municipal Advisor").

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 rule 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 (the "Competitive Sale Rule").

The Municipal Advisor will advise the winning bidder if the Competitive Sale Rule was met at the same time it notifies the winning bidder of the award of the Bonds. **Bids will not be subject to cancellation in the event that the Competitive Sale Rule is not satisfied.**

Competitive Sale Rule Met. If the Municipal Advisor advises the winning bidder that the Competitive Sale Rule has been met, the winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial offering price to the public of each maturity of the Bonds as of September 22, 2026 (the "Sale Date").

Competitive Sale Rule Not Met. By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Rule is not met, it will satisfy either the **10% Sale Rule** or the **Hold the Offering Price Rule** described below with respect to each maturity of the Bonds prior to the delivery date of the Bonds. The rule selected with respect to each maturity of the Bonds shall be set forth on an Issue Price Rule Selection Certificate, which shall be sent to the winning bidder promptly after the award of the Bonds. The winning bidder shall complete and execute the Issue Price Rule Selection Certificate and email it to Bond Counsel and the Municipal Advisor by 5:00 P.M. Eastern Time on the day after the Sale Date. **If the Issue Price Rule Selection Certificate is not returned by this deadline, or if no selection is made with respect to maturity, the winning bidder agrees that the Hold the Offering Price Rule shall apply to such maturities.**

10% Sale Rule. To satisfy the 10% Sale Rule for any maturity, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide the Town with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will report to the Town information regarding the actual prices at which at least 10 percent (10%) of the Bonds of each maturity have been sold to the public;

(iii) will provide the Town with reasonable supporting documentation or certifications of such sales prices, the form of which is acceptable to Bond Counsel. If the 10% Sale Rule is used with respect to a maturity of the Bonds, this reporting requirement will continue, beyond the closing date of the Bonds, if necessary, until such date that at least 10 percent (10%) of such maturity of the Bonds has been sold to the public; and

(iv) has or will include in any agreement among underwriters, selling group agreement or retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

Hold the Offering Price Rule. To satisfy the Hold the Offering Price Rule for any maturity, the winning bidder:

(i) will make a bona fide offering to the public of all of the Bonds at the initial offering prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel;

(ii) will neither offer nor sell to any person any Bonds of such maturity at a price that is higher than the initial offering price of each maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least ten percent (10%) of the Bonds of such maturity at a price that is no higher than the initial offering price of such maturity or (ii) the close of business on the fifth (5^{th}) business day after the Sale Date of the Bonds; and

(iii) has or will include within any agreement among underwriters, selling group agreement or retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

For purposes of the 10% Sale Rule or the Hold the Offering Price Rule, a "maturity" refers to Bonds that have the same interest rate, credit and payment terms.

If the winning bidder has purchased any maturity of the Bonds for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Rule was met, the Issue Price Certificate will recite such facts and identify the price or prices at which such maturity of the Bonds was purchased.

For purposes of this Notice of Sale, the "public" does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any "derivative products" (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

Preliminary Official Statement and Official Statement. The Town has prepared a Preliminary Official Statement dated September 15, 2026 for this Bond issue. The Town deems such Preliminary Official Statement final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for omissions permitted thereby, but the Preliminary Official Statement is subject to revision or amendment. The Town will make available to the winning purchaser a reasonable number of copies of the final Official Statement at the Town's expense by the delivery of the Bonds or, if earlier, by the seventh business day after the day proposals on the Bonds are received. 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 may be obtained by the purchaser at its own expense by arrangement with the printer.

The purchaser agrees to promptly file the final Official Statement with the Municipal Securities Rulemaking Board and to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers.

DTC Book-Entry. The Bonds will be issued by means of a book-entry-only 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"), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. Ownership of the Bonds will be evidenced in principal amounts of $5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The 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 and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds. Principal 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 Town 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.

Certifying, Transfer and Paying Agent; Registrar. The Bonds will be certified by U.S. Bank Trust Company, National Association, Hartford, Connecticut, which will also act as transfer and paying agent and registrar.

CUSIP Numbers. The deposit of the Bonds with DTC under a book-entry-only system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the Town's Municipal Advisor, Munistat Services, Inc., to apply for CUSIP numbers for the Bonds by no later than one business day after dissemination of this Notice of Sale. Munistat Services, Inc. will provide CUSIP Global Services with the final details of the sale of the Bonds in accordance with Rule G-34 of the Municipal Securities Rulemaking Board, including the identity of the winning purchaser. The Town will not be responsible for any delay caused by the inability to deposit the Bonds with DTC due to the failure of Munistat Services, Inc. to obtain such numbers and provide them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Continuing Disclosure Agreement. The Town will agree, in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, to provide, or cause to be provided, (i) certain annual financial information and operating data; (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds; and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before a specified date. The winning purchaser's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

Additional Information. For more information regarding this Bond issue and the Town, reference is made to the Preliminary Official Statement dated September 15, 2026. The Preliminary Official Statement may be accessed via the Internet at www.i-dealprospectus.com. Electronic access to the Preliminary Official Statement is being provided as a matter of convenience only. The only official version of the Preliminary Official Statement is the printed version for physical delivery. Copies of the Preliminary Official Statement and Official Statement may be obtained from Mr. William N. Lindsay, Managing Director, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, Telephone (203) 421-2880.

September 15, 2026	Matthew Hoey First Selectman	Maryjane Malavasi Finance Director

ISSUE PRICE RULE SELECTION CERTIFICATE

Town of Guilford, Connecticut
$5,000,000 General Obligation Bonds, Issue of 2026

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (the "Representative"), on behalf of itself and [OTHER UNDERWRITERS] (together, the "Underwriting Group"), hereby certifies that it will use the rule selected below for the respective maturity of the above-captioned bonds (the "Bonds"), as described in the Notice of Sale for the Bonds, dated September 15, 2026 (the "Notice of Sale"). For a description of the requirements of each rule, please refer to the section "Obligation to Deliver Issue Price Certificate" in the Notice of Sale. Capitalized terms used but not defined herein are defined in the Notice of Sale.

			10% Sale Rule (Underwriter has or will comply with 10% Sale Rule for this Maturity)		**Hold the Offering Price Rule** (Underwriter will comply with Hold the Offering Price Rule for this Maturity)	
Date of Maturity	**Principal Amount**	**Interest Rate**	**Check Box**	**Sales Price**	**Check Box**	**Initial Offering Price**
10/01/2028	$275,000	_____%	☐	$__________	☐	$__________
10/01/2029	275,000	_____%	☐	$__________	☐	$__________
10/01/2030	275,000	_____%	☐	$__________	☐	$__________
10/01/2031	275,000	_____%	☐	$__________	☐	$__________
10/01/2032	270,000	_____%	☐	$__________	☐	$__________
10/01/2033	270,000	_____%	☐	$__________	☐	$__________
10/01/2034	270,000	_____%	☐	$__________	☐	$__________
10/01/2035	270,000	_____%	☐	$__________	☐	$__________
10/01/2036	270,000	_____%	☐	$__________	☐	$__________
10/01/2037	270,000	_____%	☐	$__________	☐	$__________
10/01/2038	270,000	_____%	☐	$__________	☐	$__________
10/01/2039	270,000	_____%	☐	$__________	☐	$__________
10/01/2040	270,000	_____%	☐	$__________	☐	$__________
10/01/2041	270,000	_____%	☐	$__________	☐	$__________
10/01/2042	240,000	_____%	☐	$__________	☐	$__________
10/01/2043	240,000	_____%	☐	$__________	☐	$__________
10/01/2044	240,000	_____%	☐	$__________	☐	$__________
10/01/2045	240,000	_____%	☐	$__________	☐	$__________
10/01/2046	240,000	_____%	☐	$__________	☐	$__________

(All Sales Prices or Initial Offering Prices must be filled in prior to the delivery date of the Bonds.)

[NAME OF UNDERWRITER/REPRESENTATIVE]

By: ______________________________
Name:
Title:

Email this completed and executed certificate to the following by 5:00 P.M. (Eastern Time) on September 23, 2026:

Bond Counsel: mritter@goodwin.com **Municipal Advisor:** bill.lindsay@munistat.com