

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 5, 2026

NEW MONEY ISSUE

MOODY'S RATING:

In the opinion of Bond Counsel, assuming the accuracy of and continuing compliance by the District 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 and the Notes is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of 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. Interest on the Bonds and Notes 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 for the Bonds" and Appendix C - "Form of Legal Opinion of Bond Counsel and Tax Exemption for the Notes" herein.

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

**REGIONAL SCHOOL DISTRICT NUMBER 13
OF THE STATE OF CONNECTICUT
(TOWNS OF DURHAM AND MIDDLEFIELD)**

\$8,100,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026

Dated: Date of Delivery

Due: October 15, as shown herein

Electronic bids via Parity® for the Bonds will be received until 12:00 Noon (Eastern Time) on Tuesday, October 13, 2026 at Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443 as described in the Notice of Sale for the Bonds (See Appendix F to this Official Statement).

Interest on the Bonds will be payable on October 15, 2027 and semiannually thereafter on April 15 and October 15 in each year until maturity.

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

MOODY'S RATING:

\$24,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES

Dated: October 21, 2026

Due: October 20, 2027

Electronic bids via PARITY® for the Notes will be received until 11:30 A.M. (Eastern Time) on Tuesday, October 13, 2026 at Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443 as described in the Notice of Sale for the Notes (See Appendix G to this Official Statement).

The Notes are not subject to redemption prior to maturity.

The Bonds and the Notes will be general obligations of Regional School District Number 13 of the State of Connecticut (the "District"), and its member towns of Durham and Middlefield (each a "Member Town" and collectively the "Member Towns"). Each Member Town in the District is required to pay its proportionate share of the District's costs and, for this purpose, each Member Town has the power to levy ad valorem taxes on all taxable property in such Member Town without limitation as to rate or amount, except as to certain classified property. See "Security and Remedies" herein.

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

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

The Bonds and the Notes are offered for delivery when, as, and if issued, subject to the final approving opinions of Shipman & Goodwin LLC, Bond Counsel, of Hartford, Connecticut. It is expected that the Bonds and the Notes in book-entry-only form will be made to DTC in New York, New York, on or about October 21, 2026.

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

**REGIONAL SCHOOL DISTRICT NUMBER 13
OF THE STATE OF CONNECTICUT
(TOWNS OF DURHAM AND MIDDLEFIELD)**

\$8,100,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026

Dated: Date of Delivery

Due: October 15, as shown below

MATURITY SCHEDULE AND AMOUNTS

Maturity	Amount	Coupon	Yield	CUSIP¹	Maturity	Amount	Coupon	Yield	CUSIP¹
2028	\$350,000	%	%	759123***	2038	\$425,000	%	%	759123***
2029	350,000			759123***	2039	450,000			759123***
2030	350,000			759123***	2040	450,000			759123***
2031	375,000			759123***	2041	475,000			759123***
2032	375,000			759123***	2042	475,000			759123***
2033	400,000			759123***	2043	500,000			759123***
2034	400,000			759123***	2044	500,000			759123***
2035	400,000			759123***	2045	500,000			759123***
2036	400,000			759123***	2046	500,000			759123***
2037	425,000			759123***					

\$24,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES

Dated: October 21, 2026

Due: October 20, 2027

Par Amount	Coupon	Yield	CUSIP
\$24,000,000	%	%	759123***

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

No dealer, broker, salesperson or other person has been authorized by the Regional School District Number 13 of the State of Connecticut (the “District”) or the Municipal Advisor (as defined herein) to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Municipal Advisor. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds and the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the District from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

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

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

Other than as to matters expressly set forth in Appendix A – “Audited Financial Statements” herein, the independent auditors for the District are not passing on, and do not assume any responsibility for, the accuracy or adequacy of the statements made in this Official Statement and make no representation that they have independently verified the same.

Other than matters expressly set forth in Appendices B and C 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.

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

The District currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board through its EMMA system. The District will enter into Continuing Disclosure Agreements with respect to the Bonds and the Notes, substantially in the forms attached as Appendices D and E 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 with respect to the Bonds; (ii) timely notice of the occurrence of certain events with respect to the Bonds and the Notes, not in excess of ten (10) business days after the occurrence of such events, and (iii) timely notice of a failure by the District to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement with respect to the Bonds.

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

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

The Municipal Advisor to the District 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 District 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.

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(860) 251-5000

MUNICIPAL ADVISOR
MUNISTAT SERVICES, INC.
Madison, Connecticut
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BOND ISSUE SUMMARY

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

Date and Time of Sale:	Tuesday, October 13, 2026 at 12:00 Noon. (Eastern Time).
Issuer:	Regional School District Number 13 of the State of Connecticut (Towns of Durham and Middlefield) (the "District").
Issue:	\$8,100,000 General Obligation Bonds, Issue of 2026 (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	April 15 and October 15 in each year until maturity, commencing October 15, 2027.
Principal Due:	Annually on October 15, as shown on the inside cover page of the Official Statement herein. See "Appendix F - Notice of Sale for the Bonds" herein.
Purpose and Authority:	The Bonds are being issued to finance various District-wide facility improvements as authorized by the voters of the Member Towns of Durham and Middlefield, as described under "Authorization and Purpose" herein.
Redemption:	The Bonds <u>are</u> subject to optional redemption prior to maturity as more fully described herein. See "Optional Redemption" herein.
Security:	The Bonds will be general obligations of Regional School District Number 13 of the State of Connecticut and its member Towns of Durham and Middlefield, and the District will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Bonds have been rated [] by Moody's Ratings ("Moody's"). The District's underlying bond rating has recently been affirmed as [] by Moody's. See "Rating" herein.
Basis of Award:	Lowest True Interest Cost ("TIC"), as of dated date.
Tax Exemption:	Refer to Appendix B, "Form of Legal Opinion of Bond Counsel and Tax Exemption for the Bonds" herein.
Bank Qualification:	The Bonds shall NOT 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 incurred to carry the Bonds.
Continuing Disclosure:	The District will enter into a Continuing Disclosure Agreement with respect to the Bonds (the "Continuing Disclosure Agreement"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), (i) annual financial information and operating data; (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 District to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreement is to be executed by the District substantially in the form attached as Appendix D to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Shipman & Goodwin LLP of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about October 21, 2026 against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be directed to Kimberly Neubig, Director of Finance, Regional School District Number 13, 135A Pickett Lane, Durham, Connecticut 06422. Telephone: 860-349-7200 ext. 2.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: William N. Lindsay, Managing Director, Telephone: 203-421-2880.

NOTE ISSUE SUMMARY

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

Date and Time of Sale:	Tuesday, October 13, 2026 at 11:30 A.M. (Eastern Time).
Issuer:	Regional School District Number 13 of the State of Connecticut (Towns of Durham and Middlefield) (the “District”).
Issue:	\$24,000,000 General Obligation Bond Anticipation Notes (the “Notes”).
Dated Date:	Date of Delivery.
Interest Due:	At maturity on October 20, 2027.
Principal Due:	At maturity on October 20, 2027.
Purpose and Authority:	The Notes are being issued to finance various District-wide facility improvements as authorized by the voters of the Member Towns of Durham and Middlefield, as described under “Authorization and Purpose” herein.
Redemption:	The Notes are <u>not</u> subject to optional redemption prior to maturity as more fully described herein.
Security:	The Notes will be general obligations of Regional School District Number 13 of the State of Connecticut and its member Towns of Durham and Middlefield, and the District will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
Credit Rating:	The Notes have been rated [] by Moody’s Ratings (“Moody’s”). The District’s underlying bond rating has recently been affirmed as [] by Moody’s. See “Rating” herein.
Basis of Award:	Lowest Net Interest Cost (“NIC”), as of dated date.
Tax Exemption:	Refer to Appendix C, “Form of Legal Opinion of Bond Counsel and Tax Exemption for the Notes” herein.
Bank Qualification:	The Notes shall <u>NOT</u> 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 incurred to carry the Notes.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided notices of the occurrence of certain events within ten (10) business days after the occurrence of the events, pursuant to a Continuing Disclosure Agreement to be executed by the District substantially in the form of Appendix E to this Official Statement.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Shipman & Goodwin LLP of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about October 21, 2026 against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be directed to Kimberly Neubig, Director of Finance, Regional School District Number 13, 135A Pickett Lane, Durham, Connecticut 06422. Telephone: 860-349-7200 ext. 2.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: William N. Lindsay, Managing Director, Telephone: 203-421-2880.

I. SECURITIES OFFERED

INTRODUCTION

This Official Statement, including the cover page, inside cover page and appendices, is provided for the purpose of presenting certain information relating to Regional School District Number 13 of the State of Connecticut consisting of the Towns of Durham and Middlefield, Connecticut (the “District”), in connection with the sale of \$8,100,000 General Obligation Bonds, Issue of 2026 (the “Bonds”) and \$24,000,000 General Obligation Bond Anticipation Notes (the “Notes”) of the District.

This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or holders of any of the Bonds and the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. Neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. All quotations from, and summaries and explanations of, provisions of statutes, charters, or other laws and acts and proceedings of the District contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents, and all references to the Bonds and the Notes and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and the Notes and such proceedings.

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

Munistat Services, Inc. (“Munistat”) or the “Municipal Advisor” is engaged as Municipal Advisor to the District in connection with the issuance of the Bonds and the Notes. Munistat, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal and state income tax status of the Bonds and the Notes, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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

Bond Counsel is not passing upon, and does not assume responsibility for, the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth in their opinions in Appendices B and C herein, and it makes no representation that it has independently verified the same).

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

DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery and will mature in annual installments on October 15 in each of the years and in the principal amounts set forth on the inside cover page hereof. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest will be payable on October 15, 2027 and semiannually thereafter on April 15 and October 15 in each year until maturity and will be payable to the registered owners of the Bonds as of the last business day in March and September in each year (“record date”). A book-entry system will be employed evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof with transfers of ownership effected on the records of The Depository Trust Company, New York, New York (“DTC”), and its participants pursuant to rules and procedures established by DTC and its participants. (See “Book-Entry-Only Transfer System” herein). The Registrar, Certifying, Transfer and Paying Agent on the Bonds and will be U.S. Bank Trust Company, National Association of Hartford, Connecticut. The Bonds are subject to redemption prior to maturity. (See “Optional Redemption” herein). The legal opinion on the Notes will be rendered by Shipman & Goodwin LLP, in substantially the form set forth in Appendix B to this Official Statement.

OPTIONAL REDEMPTION

The Bonds maturing on or before October 15, 2034 are not subject to redemption prior to maturity. The Bonds maturing on October 15, 2035, and thereafter are subject to redemption prior to maturity, at the option of the District, on and after October 15, 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 District may determine at the redemption price (expressed as a percentage of the principal amount of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
October 15, 2034 and thereafter	100%

NOTICE OF REDEMPTION

Notice of redemption shall be mailed not less than twenty (20) days prior to the redemption date to the registered owner of such Bonds designated for redemption in whole or in part at the address as it last appears on the registration books for the Bonds kept for such purpose. Failure to provide such notice by mailing to any registered owner, or defect therein, shall not affect the validity of the redemption of any other Bonds. Upon giving such notice, if sufficient funds available for redemption are on deposit with the Paying Agent, the Bonds, or any portions thereof so called for redemption will cease to bear interest after the specified redemption date.

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

So long as a book-entry-only system is used for the Bonds, the District will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. (See “Book-Entry-Only Transfer System” herein for discussion of DTC and definitions of “Direct Participant”, “Indirect Participants” and “Beneficial Owner”).

Redemption of a portion of the Bonds of any maturity by the District will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry-only system, among the interests held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of reduction of interest in the Bonds to be redeemed will not be governed by the determination of the District authorizing the issuance of the Bonds and will not be conducted by the District, or be the responsibility of, the District, the Registrar or Paying Agent for the Bonds.

DESCRIPTION OF THE NOTES

The Notes will be dated October 21, 2026 and will be due and payable as to both principal and interest at maturity, on October 20, 2027. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. The Notes will be issued as fully-registered notes in denominations of \$5,000 or any integral multiples thereof. A book-entry-only transfer system will be employed evidencing ownership of the Notes with transfers of ownership on the records of The Depository Trust Company, New York, New York (“DTC”), and its participants pursuant to rules and procedures established by DTC and its participants. See “Book-Entry-Only Transfer System” herein. The Registrar, Certifying Agent, Transfer Agent and Paying Agent for the Notes will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut. The legal opinion on the Notes will be rendered by Shipman & Goodwin LLP, in substantially the form set forth in Appendix C to this Official Statement.

The Notes are not subject to redemption prior to maturity.

AUTHORIZATION AND PURPOSE

The Bonds and the Notes are issued pursuant to Section 10-56 of the General Statutes of the State of Connecticut, as amended, and a resolution adopted by the Regional Board of Education at a meeting held on August 29, 2024 and approved by the voters

of the Towns of Durham and Middlefield at a referendum held on November 5, 2024. A summary of the estimated allocation of bond proceeds to capital projects is as follows:

Projects	Amount of Total Authorization	Notes Maturing 10/21/2026	Additions / (Reductions)	The Notes (This Issue)	The Bonds (This Issue)
Memorial School Expansion and Renovation ¹ ...	\$ 39,000,000	\$20,000,000	\$12,100,000	\$24,000,000	\$ 8,100,000

¹ On November 5, 2024, voters in the member Towns of Durham and Middlefield approved at referendum \$76.13 million for the expansion and renovation of Memorial School into a Pre-Kindergarten to Grade 5 school and authorized the issuance of bonds or notes in the amount not to exceed \$39 million.

RATING

The Bonds have been rated [] by Moody's Ratings ("Moody's"). The underlying rating on the District's bonds has recently been affirmed as [] by Moody's. The Notes have been rated [] by Moody's Ratings ("Moody's"). Such rating reflects only the view of such rating agency and any explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Ratings, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that they will not be revised or withdrawn entirely by each rating agency if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of such ratings may have an effect on the market price of the District's bonds and notes.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

The Bonds and the Notes 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.

Unless otherwise noted, the description which follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Bonds and the Notes (collectively, the "Securities"), payment of interest and other payments on the Securities to DTC participants or beneficial owners of the Securities, confirmation and transfer of beneficial ownership interest in the Securities and other bond-related transactions by and between DTC, the DTC participants and beneficial owners of the Securities is based solely on information provided on DTC's website and presumed to be reliable. Accordingly, neither the District nor the Underwriter make any representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Depository Trust Company of New York, New York, will act as securities depository for the Securities. The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds and one fully-registered Note Certificate will be issued for the Notes, each in the aggregate principal amount of such maturity, 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-only 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 related 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 Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Securities, except in the event that use of the book-entry-only system for the Securities is discontinued.

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

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

The Bonds are subject to optional redemption prior to maturity. Redemption notices shall be sent to DTC in accordance with the Notice of Redemption (see "Notice of Redemption" herein). 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. The Notes are not subject to redemption prior to maturity.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District 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 Securities 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 Securities will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District 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 District 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 District 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 Securities at any time by giving reasonable notice to the District or its agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

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

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

DISCONTINUANCE OF BOOK-ENTRY SYSTEM; CERTIFICATED BONDS AND NOTES

The determination of the District authorizing the Bonds and the Notes provides for issuance of fully registered Bond and Notes certificates directly to Beneficial Owners of the Bonds and the Notes or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Bonds and the Notes, and the District fails to identify another qualified securities depository for the Bonds or the Notes to replace DTC; or (b) the District determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds or the Notes. A Beneficial Owners of the Bonds, or the Notes upon registration of certificates held in such Beneficial Owner's name, will become the registered owners of the Bonds or the Notes.

DTC PRACTICES

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

SECURITY AND REMEDIES

The Bonds and the Notes will be general obligations of Regional School District Number 13 of the State of Connecticut (the "District") and its Member Towns of Durham and Middlefield. The District will pledge its full faith and credit to pay the principal of and interest on the Bonds and the Notes when due.

Unless paid from other sources, the Bonds and the Notes are payable from general property tax revenues of the Member Towns. The Member Towns have the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Member Towns 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. On the last completed Grand Lists of the Member Towns, there were no such acres of certified forest land. Under existing statutes, the State of Connecticut is obligated to pay the Member Towns the amount of tax revenues which the Member Towns would have received except for the limitation on their power to tax such dwelling houses or the Town may place a lien on the property for the amount of tax relief granted plus interest.

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

Section 10-58a of the Connecticut General Statutes, as amended, provides that upon verification of a default by a regional school district in the payment of principal or interest on its bonds or notes the State Comptroller is required to withhold future payments of State aid and assistance in such amounts as may be required to remedy the default. If the amounts withheld from the District are insufficient for this purpose, payments of State aid and assistance due to the Member Towns must similarly be withheld and applied. The withheld payments are to be forwarded promptly to the paying agent or agents for the bonds or notes in default for the sole purpose of paying the defaulted principal of and interest on such obligations.

Section 10-63f of the Connecticut General Statutes, as amended, provides that the withdrawal of a member town from a regional school district or the dissolution of a school district pursuant to the provisions of Section 10-63a *et seq.* of said General Statutes will not impair the obligation of the withdrawing member town or the District to the holders of bonds or other indebtedness issued prior to the withdrawal or dissolution.

There is no statutory provision for priorities in the payment of general obligations of the District, or for a lien on any portion of the tax levies or other revenues of the District or its Member Towns to secure the Bonds and the Notes, or judgments thereon, in priority to other claims.

The District and its Member Towns are subject to suit on their general obligation bonds and notes and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the District or its Member Towns. Courts of competent jurisdiction also have power in appropriate proceedings to order payment of a judgment on such bonds or notes from funds lawfully available therefore or, in the absence thereof, to order the District or its Member Towns 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 District and its Member Towns and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds and the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar

laws effecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, 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 and metropolitan district and to any other political subdivision of the State having the power to levy taxes and issue Bonds and Notes or other obligations. The District does not have the direct power to levy taxes.

CONSIDERATION FOR BONDHOLDERS

In making an investment decision with respect to the Bond and the Notes, investors should consider carefully the information in the Official Statement and, in addition to those investment characteristics of fixed-rate municipal debt obligations, consider the following factors:

CYBERSECURITY

The District like many other public and private entities, relies on technology to conduct its operations. The District 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 District invests in various forms of cybersecurity and operational controls, including a comprehensive policy relating to the security of the District's government networks. 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 the District's digital networks and systems and the costs of remedying any such damage could be substantial. The District carries commercially available cyber insurance.

CLIMATE CHANGE

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. Like much of Connecticut, the District and its member towns are vulnerable to inland wetland, small river and stream flooding. Furthermore, the District and the Member Towns face other threats due to climate change, including damaging wind that could become more severe and frequent. The District addresses climate change risks to its facilities through its capital plan. The Member Towns have active programs for tree inspections and removals, in coordination with their respective electrical utility provider. Additionally, the Member Towns participate in the Lower Connecticut River Valley Council of Governments which, in calendar year 2020, developed a regional Hazard Mitigation Plan (the "Mitigation Plan") in accordance with the requirements of the federal Disaster Mitigation Act of 2000. The Mitigation Plan identifies resources, information and strategies for reducing risk from natural hazards and seeks to coordinate mitigation activities throughout the region. The Mitigation Plan was updated in May 2021. The District cannot predict the timing, extent or severity of climate change and its impact on its operations and finances or those of the Member Towns.

QUALIFICATION FOR FINANCIAL INSTITUTIONS

The Bond and the Notes shall **NOT** be designated "qualified tax-exempt obligations" under Section 265(b)(5) of the Internal Revenue Code of 1986, as amended (the "Code"), for purposes of calculating the deduction by financial institutions (as defined by Section 265(b) of the Code) for interest expense allocable to interest on the Bond and the Notes.

AVAILABILITY OF CONTINUING DISCLOSURE

Regional School District Number 13 of the State of Connecticut prepares, in accordance with state law, annual audited financial statements and files such annual audits with the State of Connecticut's Office of Policy and Management. The District provides Fitch Ratings, Moody's Ratings and S&P Global Ratings ongoing disclosure in the form of the Annual Report, Recommended and Adopted Budgets, and other materials relating to its management and financial condition, as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided, (i) annual financial information and operating data with respect to the Bonds; (ii) notice of the occurrence of certain events with respect to the Bonds and Notes not in excess of ten (10) business days after the occurrence of such events; and (iii) with respect to the Bonds, timely notice of a failure by the District to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreements. The Continuing Disclosure Agreements are to be executed by the District in substantially the forms attached as Appendix D and E to this Official Statement.

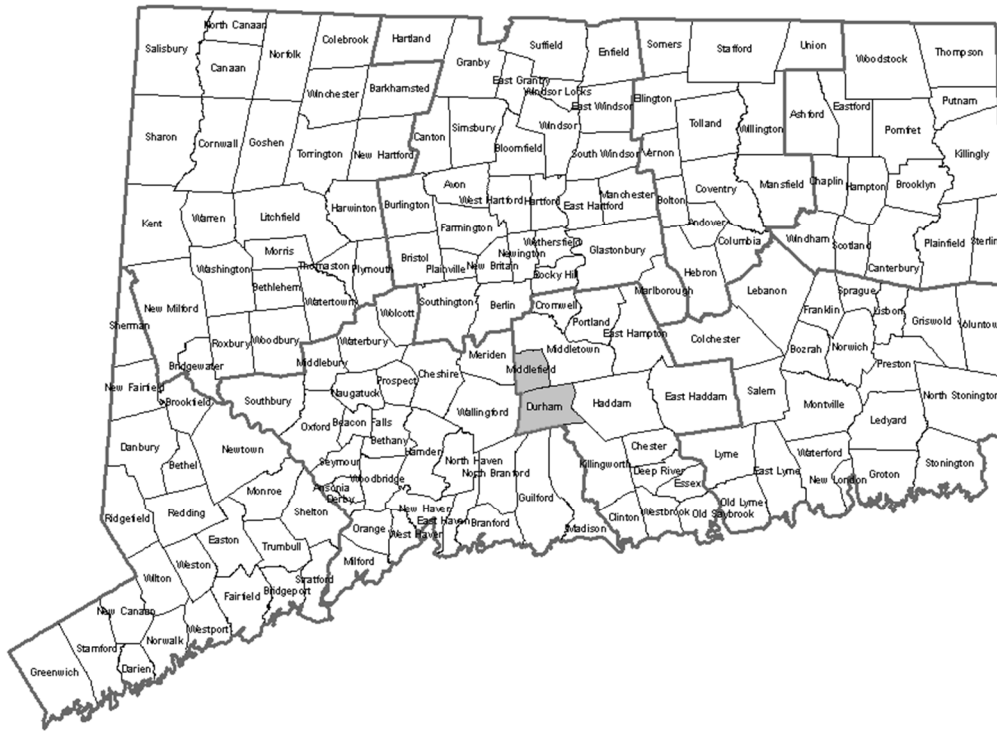
The District has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). Except as described below, in the past five years the District has not failed to comply in any material respect with its undertakings under such agreements, with the exception of the filing for fiscal years ending June 30, 2023 and June 30, 2025. For fiscal year ending June 30, 2023, the District's and the member town of Middlefield's audited financial statements were on time, however the audited financial statements for the member town of Durham were not completed until June 2023. A failure to file notice was filed prior to the deadline and the Town of Durham's audited financial statements and the District's annual financial information and operating data were promptly filed upon completion.

For the fiscal year ending June 30, 2025, the District's audited financial statements and annual financial information and operating data, as well as the member town of Durham's audited financial statements were filed on time. However, the audited financial statements for the member town of Middlefield were not completed until March 2026. A failure to file notice was filed prior to the deadline and the Town of Middlefield's audited financial statements and the District's final annual financial information and operating data were promptly filed upon completion.

The District is not responsible for any failure by EMMA or any other nationally recognized municipal securities information repository to timely post disclosure submitted to it by the District or any failure to associate such submitted disclosure to all related CUSIPs.

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II. THE ISSUER



DISCRIPTION OF THE DISTRICT

There follows in this Official Statement a brief description of the District and its Member Towns together with certain information concerning their economy, governmental organization, indebtedness, current major revenue sources, and general and specific funds.

Regional School District Number 13 (the “District”) was organized in April 1968 with approval of the voters of Durham and Middlefield (collectively the “Member Towns” and each a “Member Town”) under the provisions of the Connecticut General Statutes, Chapter 164, Section 10-45. The District presently serves all public-school pupils in grades pre-kindergarten through twelve residing in the Member Towns of Durham and Middlefield. A regional school board of education made up of ten elected members (the “Board”), six from Durham and four from Middlefield elected on an “at-large basis” for overlapping three-year terms, administers the school system. The Board has decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters, including preparing and presenting the annual District budget as defined in Chapter 164, Section 10-51d of the Connecticut General Statutes.

The District’s operating and debt service expenses are paid directly from State grants for education, transportation, tuition reimbursement, miscellaneous revenues of the District, and by the Member Towns in proportion to the number of students attending school from each Town. Percentages for fiscal year 2025–26 are Durham 65.57% and Middlefield 34.43%. Payments are made by the Member Towns in monthly installments and are budgeted to operate the District on a current cash basis.

Pursuant to the Connecticut General Statutes, if a Member Town of the District fails to include in its annual Town budget amounts necessary to pay for its proportionate share of the annual District budget, ten or more taxable inhabitants of a Town within such regional school district, a majority of the board of selectmen of any such Town, the State attorney general, a holder or owner of bonds or notes of such regional school district, the board of education of such regional school district or the State Board of Education may petition the Superior Court to determine the amount of the alleged deficiency. If the court finds such deficiency to exist, it shall order such delinquent Member Town, through its treasurer, selectmen and assessor, to provide a sum of money equal to such deficiency, together with a sum of money equal to twenty-five percent thereof. The amount of the deficiency shall be paid by the delinquent Member Town of the regional school district as soon as it is available; the additional sum of twenty-five percent shall be kept in a separate account by such Town and shall be applied toward payment of such Member Town’s share of the annual budget of the regional school district in the following year. If such order is made after the

fixing of the annual tax rate of such delinquent Member Town, the sums included in such order shall be provided by the Town from any available cash surplus, from any contingent fund, from borrowing, through a rate bill under the provisions of Section 12-123 of the Connecticut General Statutes, or from any combination thereof.

Under the provisions of Section 10-63f of the Connecticut General Statutes, the withdrawal of a Member Town from the district or the dissolution of the district shall not impair the obligation of the withdrawing Member Town or the district to the holders of district Notes or other outstanding indebtedness issued prior to such withdrawal or dissolution.

DESCRIPTION OF THE MEMBER TOWNS

Town of Durham

The Town of Durham was incorporated as a Town in May 1708. The Town has an area of 23.3 square miles. It is located in central Connecticut approximately 10 miles south of Middletown, 22 miles south of Hartford, and 14 miles northeast of New Haven, with easy access to the interstate highway system, I-91, I-84, I-691, I-95 and Connecticut Route 9. It is bounded to the north by Middlefield and Middletown, to the east by Haddam, to the west by Wallingford, and to the south by North Branford, Guilford, Madison and Killingworth. Principal industries include The Durham Manufacturing Co., Hobson Motzer, Tilcon, and Perma Treat Corporation. Durham is primarily a rural-residential community with an estimated population of approximately 7,208 according to the U.S. Census Bureau's American Community Survey, 2019-2024.

Durham is home to the Durham Agricultural Fair (the "Fair"), established in 1916. The Fair is the largest agricultural fair in Connecticut and the largest fair in North America without a paid manager or staff. Over 200,000 visitors regularly attend the three-day event held on the last weekend in September. The Fair features a vast array of competitive exhibits, with well over 3,000 exhibitors and 11,000 entries. The Durham Agricultural Fair Association Inc. (the "Fair Association") is the private, nonprofit association that owns and operates the Durham Fair in addition to a wide variety of off-season events, exhibits, and entertainment and recreational activities on the fairgrounds throughout the year. The Fair Association also staffs the Durham Fair Farm Museum, which is available by appointment for school field trips, historical societies, and other interested groups.

The Town of Durham is governed by the General Statutes of the State of Connecticut and a Town Charter that became effective in 1972, with amendments in 1977 and 1981. The form of government includes a Board of Selectmen consisting of a First Selectman, who is the chief administrative and executive officer, and two other members. The Town Meeting has the legislative power of the Town and may enact ordinances consistent with the General Statutes and specific provisions of the Town Charter.

The Town Charter provides for the election of a Board of Selectmen, Board of Finance, Treasurer, Tax Collector and Town Clerk. The Board of Finance is responsible for presenting fiscal operating budgets for Town Meeting approval and establishing the annual tax rate.

There are no separate taxing districts located within the territorial limits of Durham. The Town has the power to incur indebtedness by issuing bonds or notes as prescribed by the Connecticut General Statutes and authorized by the Town Charter.

Town of Middlefield

The Town of Middlefield succeeded from Middletown and incorporated as a Town in May 1866. The Town has an area of 13.3 square miles. It is located in central Connecticut approximately 18 miles south of Hartford, 19 miles north of New Haven, and borders the cities of Meriden and Middletown and the towns of Wallingford and Durham. The Town is served by State Routes 147, 157, and 66 which connects to Interstate 91 approximately one mile from the northwest corner of the Town.

Middlefield's principal industries include Zygo Corp., Rogers Mfg. Co., and Lyman Orchards. Lyman Orchards, established in 1741, sits on a 1,100-acre farm in Middlefield and is the Town's oldest family-owned business. The orchard grows a variety of apples, peaches, pears, berries and pumpkins. The property also includes two 18-hole golf courses at the Lyman Orchard Golf Club. The Lyman Homestead is included in the National Register of Historic Places and may be rented for social or corporate gatherings. Other activities at the orchard include a sunflower maze, corn maze, horse-drawn wagon and pony rides, and fruit picking. Beseck Lake, and the public golf courses Lyman Meadow, Lyman Orchard and Indian Springs are major recreational facilities located in Middlefield.

Middlefield is a rural-residential community that has a balanced residential, commercial, and industrial tax base. The Town's population has remained at approximately 4,243 according to the U.S. Census Bureau's American Community Survey, 2019-2024.

There are no separate taxing districts located within the territorial limits of Middlefield. The Town has the power to incur indebtedness by issuing bonds or notes as prescribed by the Connecticut General Statutes and authorized by the Town Charter.

SUMMARY OF MUNICIPAL SERVICES IN THE MEMBER TOWNS

Each Town provides a broad range of services including public safety, public roads, solid waste disposal, health, social services, parks and recreation, education, public facilities, planning, development, zoning, and general administrative services.

Public Works: The Towns of Middlefield and Durham each have a fully staffed Public Works Department that provides general highway maintenance services.

Police Protection: The Towns of Durham and Middlefield each employ Resident State Troopers who are assisted by the Connecticut State Police Department out of Troop F, Westbrook. In addition, Middlefield employs two full-time police officers.

Fire Protection: The Towns of Durham and Middlefield each maintain fully equipped volunteer fire departments. Each department is organized as a private corporation and is funded by its respective Town. The Towns own the buildings, land, and all major pieces of equipment. The departments belong to a mutual aid system with the abutting communities.

Emergency Medical Assistance: The Durham Volunteer Ambulance Corp., Inc., a not-for-profit organization, serves the Town of Durham with a fully equipped ambulance staffed by volunteer State-certified Emergency Medical Technicians. The Town of Middlefield is served by Hunter's Ambulance Service located in the adjoining cities of Middletown and Meriden.

Solid Waste: The Towns of Durham and Middlefield have entered into an interlocal agreement creating the Durham-Middlefield Interlocal Agreement Advisory Board ("DMIAAB") which is responsible for the operation and management of a transfer station for municipal solid waste, and a bulky waste and composting area serving both towns on a cost-shared basis, based upon the estimated population of each town. The percentage for the fiscal year 2026-27 is Middlefield 37.1% and Durham 62.9%. Town residents either take their solid and bulky waste directly to the transfer station or privately contract with commercial haulers for said purpose.

In partnership with the Middlefield Board of Selectmen, the Durham Board of Selectmen created the DMIAAB Task Force on June 14, 2010. The task force is charged with evaluating the current interlocal agreement for up-to-date utility, researching contemporary models for interlocal, regional municipal agreements, conducting an efficiency review of current operations, conducting management/operational review and research best practice models or alternate service delivery models, and making recommendations for modifications and reapproval of interlocal agreements.

On July 1, 2025, each of the towns of Durham and Middlefield entered into an identical separate five-year Solid Waste Management Services Contract (the "Service Contract") with the Reworld (formerly Covanta). Each town may terminate the Service Contract and may reduce its joint minimum commitment with six months' prior written notice without penalty or further obligation to the Towns.

Each Town is required to pay a tipping fee that is currently \$101.76 per ton (the "Service Fee"). Rates are subject to annual review and adjustment. Each Town has pledged its full faith and credit for the payment of the Service Fee so long as the Service Contract remains in effect.

Sewage: Developed properties in the Towns of Durham and Middlefield are served primarily by private on-site septic systems. In Middlefield, the \$7.6 million Lake Beseck sewer project was completed in 2001, and approximately 25% of the community is serviced by either the City of Middletown or the City of Meriden sewerage facility and system.

Water: Individual wells are the primary water supplies in both the Town of Durham and the Town of Middlefield. The City of Middletown Water Department also services the Brookside Drive Industrial Park on the east side of Middlefield. Located in the central section of Durham, there is a U.S. Environmental Protection Agency ("E.P.A.") Superfund site called the Durham Meadows Superfund Site. In connection with the environmental clean-up of the Durham Meadows Superfund site, the EPA is installing a new drinking water supply for affected properties. The project includes 30,000 linear feet of water main being installed in Durham to connect to the existing Town of Middletown water distribution system. A 800,000-gallon water storage tank is being installed in Middletown to provide gravity pressure for the system and support fire protection to approximately 120 homes and businesses, including Regional School District No. 13 and the Durham Fair grounds.

Services for the Elderly: The Town of Durham provides transportation for its elderly residents by contracting with Middletown Area Transit. Dial-A-Ride transportation is available to both Durham and Middlefield senior citizens through the Estuary

Transit District for medical appointments, grocery shopping, senior center activities, etc. The Middlefield Senior Center is a multipurpose agency that provides health services, nutrition, educational and recreational activities, transportation, wellness programs, volunteer opportunities, and other supportive services. The Town of Middlefield, through the local Housing Authority, has built and maintains 30 elderly housing units.

Public Health and Social Services: The Towns of Durham and Middlefield receives public health services through the South Central Health District. The Town of Durham has a part-time Social Services Director. The Town of Middlefield has a part-time Senior/Social Services Director.

Parks and Recreation: Recreation programs in the Town of Middlefield are sponsored by the Parks and Recreation Department at the school fields, Peckham Field Park, Beseck Lake Town Beach, and Levi E. Coe Library. The Town of Middlefield has an active year-round program for residents of all ages. The Public Works Department does maintenance of facilities for the Town of Middlefield.

The Town of Durham's Recreation Committee sponsors recreation programs at Town-owned and maintained playground, tennis courts, and picnic area. The Town of Durham has an active year-round program for residents of all ages.

Libraries: The Town of Durham maintains and operates the Durham Public Library. The library, in addition to regular library services, provides numerous programs and activities for residents of all ages, including story hours, poetry readings, musical programs, book discussions, travel shows, and a course on parenting.

The Levi E. Coe Library Association maintains and operates the Town of Middlefield's public library. In addition to regular library services, the library provides pre-school programs, a reference service, special summer programs, and special services for elderly residents.

DISTRICT OFFICIALS

Office	Name	Manner of Selection	Current Term
Board of Education			
Chairman.....	Robert Moore.....	Elected	12/23-12/27
Vice Chairman.....	Dr. Linda Darcy.....	Elected	7/22-6/28
Treasurer.....	Christine Cowan.....	Elected	12/25-12/29
Secretary.....	Lucy Petrella.....	Elected	7/25-6/28
Member.....	Mark Simmons.....	Elected	12/25-12/29
Member.....	Jason Stone.....	Elected	12/23-12/27
Member.....	Tim Viens.....	Elected	7/26-6/29
Member.....	Stephen DelVecchio.....	Elected	12/23-12/27
Member.....	Nicholas Konstantino.....	Elected	12/25-12/29
Superintendent of Schools.....	Dr. Sydney Leggett.....	Appointed	Indefinite
Director of Finance.....	Kimberly Neubig.....	Appointed	Indefinite
Principal.....	Debra Stone, CRHS.....	Appointed	Indefinite
Principal.....	Katie Trainer, CRHS Asst.....	Appointed	Indefinite
Principal.....	Dave Kimball, Strong School.....	Appointed	Indefinite
Principal.....	Presently Vacant, Memorial Elementary School..	Appointed	Indefinite
Principal.....	Thomas Ford, Lyman Elementary School.....	Appointed	Indefinite
Principal.....	Noelle Durkin, Brewster Elementary School.....	Appointed	Indefinite

Source: Office of the District Director of Finance and Administration.

DISTRICT'S EDUCATIONAL SYSTEM

Regional School District Number 13 currently has three elementary schools. (1) Brewster Elementary serving grades pre-kindergarten through grade two (located in the Town of Durham), (2) Middlefield Memorial School serving grades three through five (located in the Town of Middlefield) and (3) Lyman Elementary serving grades K through four (located in the Town of Middlefield). The District also has Strong Middle School serving grades six to eight (located in the Town of Durham) and Coginchaug Regional High School serving grades nine through twelve (located in the Town of Durham). Enrollment in the District system as of October 1, 2025 was 1,311 students with a design capacity of 2,093.

At a referendum held on August 27, 2024, voters of the towns of Durham and Middlefield approved a plan to adopt a three-school model with grades pre-K to 5 at Memorial School in Middlefield, grades 6 to 8 at Strong Middle School in Durham and grades 9-12 at Coginchaug Regional High School in Durham. Subsequently, on November 5, 2024 voters of the member towns approved \$76.13 million for the renovation and expansion of Memorial School and the authorization of bonds to finance the renovation and expansion in the amount not to exceed \$39.0 million.

EDUCATIONAL FACILITIES

Schools	Grades	Date of Construction (Last Renovated)	Number of Classrooms	Enrollment 10/1/2025	Design Capacity
F. Brewster Elementary ¹	Pre-K-2	1955 (2002)	24	212	350
John Lyman Elementary ¹	K-4	1966 (1996)	14	302	374
Middlefield Memorial ¹	3-5	1954 (1996)	-	-	400
Frank Ward Strong	6-8	1923 (2002)	31	419	390
Coginchaug Regional High.....	9-12	1970 (2002)	46	369	579
Middlesex Transitional Academy ² ...	12+	n/a	3	9	n/a
Total			118	1,311	2,093

¹ Middlefield Memorial school is closed for renovation and conversion to a Pre-K to 5 school. Once the renovation is completed, both Brewster and Lyman schools will be closed permanently.

² Middlesex Transitional Academy ("MTA") is a comprehensive, individualized transition program for special education students age 18-22. The MTA program takes place on the campus of Wesleyan University.

Source: Office of the District Director of Finance.

SCHOOL ENROLLMENT

Actual				
As of October 1	Grades Pre-K-5	Grades 6-8	Grades 9 - 12	Total Enrollment
2016	724	446	575	1,745
2017	714	405	556	1,675
2018	663	411	543	1,617
2019	658	356	503	1,517
2020	634	345	461	1,440
2021	642	299	425	1,366
2022	649	312	404	1,365
2023	650	314	386	1,350
2024	627	319	362	1,308
2025	615	318	378	1,311
Projections				
As of October 1	Grades Pre-K-5	Grades 6-8	Grades 9 - 12	Total Enrollment
2026	643	322	371	1,336
2027	656	310	371	1,337
2028	656	316	373	1,345
2028	666	309	366	1,341
2029	676	304	373	1,353

Source: District Officials.

DISTRICT MEMBERSHIP BY TOWN

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Town of Durham.....	951	925	918	908	868
Town of Middlefield.....	474	509	502	475	443

Source: District Officials.

DISTRICT EMPLOYMENT

<u>Fiscal Year</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Administrators/principals.....	7	10	11	10	12
Teachers.....	143	142	143	141	139
Guidance, library & other professionals...	25	24	24	23	22
Other support.....	151	148	148	140	140
Totals	<u>326</u>	<u>324</u>	<u>326</u>	<u>314</u>	<u>313</u>

Source: District Officials.

DISTRICT EMPLOYEES BARGAINING ORGANIZATIONS

<u>Bargaining Group</u>	<u>Organization</u>	<u>Number of Members</u>	<u>Current Expiration Date</u>
Teachers.....	Regional Education Association.....	155	6/30/2029
Custodians.....	AFSCME Local #1303.....	14	6/30/2027
Administrators.....	Administrators Association.....	10	6/30/2027
Support Staff.....	American Federation of Teachers, 4914.....	41	6/30/2027
Cafeteria.....	AFSCME Local 1303.....	9	6/30/2027
Nurses.....	AFL-CIO.....	3	6/30/2029
Total Employees.....		<u>232</u>	

Source: District Officials.

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

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III. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

Year	Town of Durham	Town of Middlefield	The District	Lower CT River Valley Planning Region	Middlesex County	State of Connecticut
2000	6,627	4,203	10,830	n/a	155,071	3,405,565
2010	7,293	4,413	11,706	n/a	164,774	3,545,837
2024	7,208	4,243	11,451	175,822	n/a	3,624,508

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

AGE CHARACTERISTICS OF THE POPULATION

Age	Town of Durham		Town of Middlefield		Lower CT River Valley Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 5.....	390	5.4	86	2.0	7,192	4.1	181,691	5.0
5 - 9.....	221	3.1	165	3.9	7,837	4.5	195,164	5.4
10 - 14.....	330	4.6	213	5.0	8,440	4.8	214,972	5.9
15 - 19.....	347	4.8	228	5.4	10,474	6.0	239,710	6.6
20 - 24.....	353	4.9	198	4.7	10,583	6.0	238,387	6.6
25 - 34.....	822	11.4	402	9.5	20,311	11.6	454,892	12.6
35 - 44.....	1,086	15.1	388	9.1	21,569	12.3	460,916	12.7
45 - 54.....	1,181	16.4	733	17.3	22,017	12.5	453,917	12.5
55 - 59.....	599	8.3	311	7.3	13,877	7.9	256,068	7.1
60 - 64.....	627	8.7	438	10.3	14,452	8.2	258,234	7.1
65 - 74.....	716	9.9	691	16.3	22,328	12.7	386,232	10.7
75 - 84.....	467	6.5	298	7.0	11,520	6.6	196,373	5.4
85 and over..	69	1.0	92	2.2	5,222	3.0	87,952	2.4
Total	7,208	100.0	4,243	100.0	175,822	100.0	3,624,508	100.0

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

EDUCATIONAL ATTAINMENT

	Town of Durham		Town of Middlefield		Lower CT River Valley Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	43	1	42	1	2,037	2	101,458	4
9th to 12th grade.....	143	3	90	3	3,896	3	114,887	4
High School Graduate.....	1,435	26	1,156	34	31,135	24	647,192	25
Some College.....	749	13	472	14	22,401	17	410,903	16
Associate Degree.....	528	9	203	6	11,432	9	195,081	8
Bachelor Degree.....	1,324	24	721	22	33,225	25	595,631	23
Graduate or Professional Degree..	1,345	24	669	20	27,170	21	489,432	19
Total.....	5,567	100	3,353	100	131,296	100	2,554,584	100
Total high school graduate or higher (%)		96.7%		96.1%		95.5%		91.5%
Total bachelor degree or higher (%)		47.9%		41.5%		46.0%		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 Durham.....	\$ 82,864	\$166,559	\$ 29,306	\$ 69,217
Town of Middlefield.....	69,267	145,313	25,711	60,211
Middlesex County.....	71,319	n/a	28,251	n/a
Lower CT River Valley Planing Region...	n/a	136,577	n/a	59,075
Connecticut.....	65,521	122,706	28,766	55,915
United States.....	50,046	99,999	21,587	44,673

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

INCOME DISTRIBUTION

	Town of Durham		Town of Middlefield		Lower CT River Valley Planning Region		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent	Families	Percent
\$ -0- to 9,999.....	9	0.4	-	0.0	787	1.7	24,004	2.6
10,000 to 14,999.....	-	0.0	14	1.2	347	0.8	12,584	1.4
15,000 to 24,999.....	31	1.3	20	1.8	888	1.9	27,285	3.0
25,000 to 34,999.....	13	0.6	19	1.7	1,351	2.9	33,429	3.6
35,000 to 49,999.....	42	1.8	28	2.5	1,844	4.0	59,826	6.5
50,000 to 74,999.....	95	4.0	125	11.1	4,824	10.4	106,611	11.6
75,000 to 99,999.....	128	5.5	109	9.7	5,642	12.2	106,893	11.6
100,000 to 149,999...	414	17.6	256	22.7	9,870	21.3	182,785	19.8
150,000 to 199,999...	758	32.3	152	13.5	8,275	17.9	131,310	14.3
200,000 or more.....	857	36.5	405	35.9	12,415	26.8	236,661	25.7
Total.....	<u>2,347</u>	<u>100.0</u>	<u>1,128</u>	<u>100.0</u>	<u>46,243</u>	<u>100.0</u>	<u>921,388</u>	<u>100.0</u>

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

MAJOR EMPLOYERS

Name of Employer	Nature of Entity	Estimated Number of Employees
Zygo Corporation.....	Optical Instruments & Lenses.....	250-499
Regional School District #13.....	Education.....	250-499
Hobson & Motzer Inc.....	Metal Stamping.....	250-499
Marquee Events Featuring.....	Resorts.....	250-499
Lyman Orchards.....	Orchard, Retail Store.....	100-249
Lyman Orchards Golf Club.....	Golf Course.....	100-249
Durham Manufacturing.....	Metal Goods Manufacturing.....	100-249
Cooper-Atkins Corporation.....	Temperature Measuring Material Manufacturer...	100-249
Rogers Manufacturing.....	Plastic Molds Manufacturer.....	100-249
United Cleaning & Restoration.....	Roofing Contractors.....	50-99

Source: Connecticut Department of Labor.

UNEMPLOYMENT RATE STATISTICS

Yearly Average	Town of Durham %	Town of Middlefield %	Hartford Labor Market %	State of Connecticut %
Jan-July 2026..	3.4	5.4	5.3	5.3
2025	2.7	3.5	4.0	3.9
2024	2.4	2.9	3.5	3.5
2023	2.6	3.1	3.7	3.8
2022	2.9	3.4	4.1	4.1
2021	3.7	4.8	6.4	6.4
2020	5.0	6.2	7.8	8.0
2019	2.5	3.3	3.6	3.6
2018	2.9	3.1	3.9	3.9
2017	3.1	3.5	4.4	4.4
2016	3.3	4.3	4.8	4.8

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

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IV. TAX BASE DATA

TAX COLLECTION PROCEDURE AND ASSESSMENT PRACTICES

The maintenance of an equitable tax base, and the location and appraisal of all real and personal property within the Member Towns for inclusion onto the Grand List, is the responsibility of the Assessor's Office of each Member Town. The Grand Lists represent the total of assessed values for all taxable real and personal property and motor vehicles located within the Member Towns on October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's lists 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 Member Towns recently had general property revaluations as follows: Durham effective October 1, 2025 and Middlefield effective October 1, 2021. Prior to the completion of each revaluation, the respective Assessor shall conduct a field review. When a new structure, or modification to an existing structure, is undertaken, the respective Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of the last revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

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

Property taxes are levied on all assessed property on the Grand Lists of October 1 prior to the beginning of the fiscal year. At the discretion of each Member Town and for the convenience of the taxpayers, real property taxes in excess of \$100 are payable in two installments, July 1 and January 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. A modest estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least twice a year, with interest charged at the rate of one and one-half percent per month, with a minimum charge of \$2. In accordance with State statutes, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically lienied 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. Real estate accounts and other accounts are transferred to suspense 15 years after the due date in accordance with State statutes.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed 8% of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum or at such rate as approved by the legislative body at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien.

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

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. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following July 31. Motor vehicles purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits.

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 fiscal year ending June 30, 2018), the mill rate for motor vehicles shall not exceed 39 mills, and (2) for the assessment year October 1, 2017 (the fiscal year ending June 30, 2019), and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 45 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. For fiscal year 2026-24 the Town of Durham and Middlefield issued motor vehicles tax bills based on a mill rate of 28.15 and 31.96 mills, respectively.

For the fiscal year ending June 30, 2019, 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 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, 2013, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills.

ASSESSED VALUATIONS

The following table sets forth the net taxable grand lists of the Member Towns:

Town of Durham								
Grand List Dated	FY Ending 30-Jun	Real Property (%)	Personal Property (%)	Motor Vehicle Property (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	% Growth
2025 ¹	2027	84.0	8.7	7.3	\$1,147,935,278	\$24,640,701	\$1,123,294,577	46.0%
2024	2026	79.6	10.5	9.9	798,641,950	29,437,677	769,204,273	-1.0%
2023	2025	78.4	10.0	11.6	808,227,510	31,057,288	777,170,222	-0.1%
2022	2024	78.2	9.5	12.3	808,223,300	30,362,465	777,860,835	0.9%
2021	2023	78.7	9.5	11.8	799,605,505	28,801,024	770,804,481	3.6%
2020 ¹	2022	81.7	8.7	9.6	768,493,842	24,808,076	743,685,766	4.8%
2019	2021	82.3	8.2	9.5	735,049,034	25,664,811	709,384,223	1.2%
2018	2020	83.5	7.4	9.2	723,755,053	23,048,647	700,706,406	-1.0%
2017	2019	84.0	8.4	9.4	731,644,206	23,853,017	707,791,189	1.2%
2016	2018	83.7	7.7	9.2	723,200,769	23,921,821	699,278,948	0.6%

¹ Revaluation

Source: Town annual audit reports.

Town of Middlefield								
Grand List Dated	FY Ending 30-Jun	Real Property (%)	Personal Property (%)	Motor Vehicle Property (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	% Growth
2025	2027	78.8	12.6	8.6	\$553,493,310	\$27,913,167	\$525,580,143	0.7%
2024	2026	79.6	12.2	8.2	547,289,540	25,274,570	522,014,970	-1.2%
2023	2025	79.2	11.1	9.7	547,934,678	19,417,140	528,517,538	0.1%
2022	2024	79.3	10.3	10.4	544,966,170	17,101,408	527,864,762	1.3%
2021 ¹	2023	80.0	10.0	10.0	538,667,510	17,503,686	521,163,824	20.7%
2020	2022	79.3	11.5	9.2	448,363,940	16,717,200	431,646,740	-0.4%
2019	2021	78.6	12.8	8.6	450,717,334	17,261,540	433,455,794	2.9%
2018	2020	80.8	10.9	8.3	437,560,840	16,459,410	421,101,430	2.3%
2017	2019	82.0	9.3	8.5	427,373,074	15,781,810	411,591,264	2.7%
2016 ¹	2018	80.8	8.0	8.2	416,059,640	15,349,950	400,709,690	3.7%

¹ Revaluation

Source: Town annual audit reports.

LARGEST TAXPAYERS

Town of Durham

Business-Name	Nature Of Business	Estimated Assessment 10/1/2025	Rank	Percent of Total
Connecticut Light & Power Company....	Utility.....	\$28,333,050	1	2.52%
Hobson & Motzer Inc.....	Manufacturing, metal stamping.....	17,653,220	2	1.57%
Yankee Gas Service Co.....	Utility.....	14,067,710	3	1.25%
Durham Manufacturing Co.....	Manufacturing, industrial storage products..	8,018,860	4	0.71%
Dinatale Rentals LLC.....	Real Estate, warehouse.....	3,562,230	5	0.32%
CSK realty LLC.....	Real Estate.....	3,108,560	6	0.28%
Tilcon Inc.....	Real Estate.....	3,077,060	7	0.27%
Hood Industries Inc.....	Building materials.....	3,033,690	8	0.27%
Morgan Crucible.....	Manufacturing furnace/foundry products.....	2,661,240	9	0.24%
J&T Route 68 Property Management.....	Real Estate.....	2,033,570	10	0.18%
Total		\$85,549,190		7.62%

Source: Town Officials.

Town of Middlefield

Business-Name	Nature Of Business	Estimated Assessment 10/1/2025	Rank	Percent of Total
Eversource Energy.....	Utility.....	\$23,194,560	1	4.41%
Zygo Corp.....	Manufacturing, optical instruments.....	12,176,000	2	2.32%
Lyman Farm Inc.....	Farm and Retail Store.....	7,618,770	3	1.45%
Powder Ridge Mountain Park Holding..	Ski Mountain.....	6,067,900	4	1.15%
Cubesmart LP.....	Self-storage.....	2,745,160	5	0.52%
Rogers Manufacturing.....	Manufacturing, plastic products.....	1,340,700	6	0.26%
Xenelis Construction Co. Inc.....	Construction.....	1,706,880	7	0.32%
Turning Corner LLC.....	Real Estate.....	994,200	8	0.19%
RGR Investments LLC.....	Manufacturing, turnstyles.....	960,800	9	0.18%
6 Way Road LLC.....	Real Estate.....	902,100	10	0.17%
Total		\$57,707,070		10.97%

Source: Town Officials.

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TAX LEVIES AND COLLECTIONS

The following table sets forth the net taxable grand lists, the amount of annual property tax levy, and the tax collection record of the Member Towns:

Town of Durham

Grand List	FY Ending 30-Jun	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Collected End of Each Fiscal Year	Percent Uncollected End of Each Fiscal Year	Percent Annual Levy Uncollected 6/30/2025	Amount Uncollected as of 6/30/2025
2025 ¹	2027	\$1,123,294,577	28.15	\$30,596,393	In Process	In Process	In Process	In Process
2024	2026	769,204,273	37.39	28,556,146	In Process	In Process	In Process	In Process
2023	2025	777,170,222	35.70	27,533,298	99.4%	0.6%	0.6%	\$159,186
2022	2024	777,860,835	34.78	26,926,909	99.1%	0.9%	0.2%	58,681
2021	2023	770,804,481	34.57	26,531,312	99.1%	0.9%	0.1%	20,409
2020 ¹	2022	743,685,766	35.56	26,363,069	99.0%	1.0%	0.0%	11,633
2019	2021	709,384,223	35.78	25,460,198	98.5%	1.5%	0.0%	2,828
2018	2020	700,706,406	35.89	25,194,632	98.7%	1.3%	0.0%	5,850
2017	2019	707,791,189	36.94	25,887,457	99.0%	1.0%	0.0%	8,870
2016	2018	699,278,948	36.85	25,924,400	98.9%	1.1%	0.0%	8,735

¹ Revaluation

Sources: Assessor's Office

Town of Middlefield

Grand List	FY Ending 30-Jun	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Collected End of Each Fiscal Year	Percent Uncollected End of Each Fiscal Year	Percent Annual Levy Uncollected 6/30/2025	Amount Uncollected As of 6/30/2025
2025	2027	\$525,580,143	31.96	\$16,771,855	In Process	In Process	In Process	In Process
2024	2026	522,014,970	29.80	15,490,140	In Process	In Process	In Process	In Process
2023	2025	528,517,538	28.06	14,892,692	98.8%	1.2%	1.2%	\$180,061
2022	2024	527,864,762	28.24	14,935,911	99.7%	0.3%	0.3%	40,545
2021 ¹	2023	521,163,824	27.56	14,393,449	99.9%	0.1%	0.1%	14,705
2020	2022	431,646,740	31.82	13,812,631	99.9%	0.1%	0.1%	12,158
2019	2021	433,455,794	32.23	14,033,647	100.0%	0.0%	0.0%	6,851
2018	2020	421,101,430	32.47	13,729,977	98.0%	2.0%	0.0%	188
2017	2019	411,560,664	34.49	14,356,338	97.9%	2.1%	0.0%	183
2016 ¹	2018	400,718,630	34.96	13,978,474	98.4%	1.6%	0.0%	321

¹ Revaluation

Sources: Assessor's Office

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EQUALIZED NET GRAND LIST

Town of Durham

Grand List of 10/1	Equalized Net Grand List	% Growth
2024	\$1,612,292,325	4.0%
2023	1,549,977,081	5.1%
2022	1,475,009,366	8.5%
2021	1,359,968,477	28.0%
2020 ¹	1,062,373,464	0.1%
2019	1,061,426,007	3.6%
2018	1,024,699,541	-3.1%
2017	1,057,191,266	2.7%
2016	1,029,057,511	3.7%
2015 ¹	992,588,484	-5.1%

¹ Revaluation

Town of Middlefield

Grand List of 10/1	Equalized Net Grand List	% Growth
2024	\$1,024,066,004	1.9%
2023	1,005,441,001	9.7%
2022	916,879,936	22.7%
2021 ¹	746,970,728	-1.9%
2020	761,588,773	16.0%
2019	656,614,906	2.3%
2018	641,544,039	0.7%
2017	637,122,387	11.2%
2016 ¹	572,716,343	-4.1%
2015	597,503,926	2.6%

¹ Revaluation

Sources: Assessor's Office, State of Connecticut Office of Policy and Management.

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V. FINANCIAL INFORMATION

FISCAL YEAR

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

ACCOUNTING POLICIES

The District'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).

ANNUAL AUDIT

Pursuant to the provisions as delineated in the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes), the District is obligated to undergo an annual examination by an independent certified public accountant. The firm of CliftonLarsonAllen LLP of West Hartford, Connecticut, are the auditors, and are required to conduct an examination under the guidelines issued by the State of Connecticut, Office of Policy & Management, who receive a copy of said audit report when completed.

The District's finances are operated primarily through the General Fund. All assessments from the Member Towns, and most other revenues, are paid into the General Fund and all current operating expenditures are made from it. Financial statements of the District are included in the audited "Financial Statements" herein (Appendix A).

BUDGETARY PROCEDURES

It is the policy of the Board of Education to ask the Superintendent to direct the preparation of the budget and to submit it to the Board for its tentative approval and for later public hearing and approval. The Superintendent is asked to confer with the school staff on budgetary needs, as well as to consider priorities that have been determined by the Board.

The following deadlines pertaining to budget adoption are set by Connecticut law:

1. The budget must be presented for vote of the electors of the Member Towns at the Annual Meeting of the District, which meeting must be held on the first Monday or Tuesday of May.
2. Not less than two weeks prior to such Annual Meeting, the Board must hold a public hearing on the proposed budget, at which time any person may recommend inclusion or deletion of expenditures.
3. At least five days before the Annual Meeting of the District, the Board must deliver copies of its completed budget to the Town Clerks of each of the Member Towns and make available other copies on request.
4. If the budget is rejected by a majority vote at the Annual Meeting of the District, the Board must, within four weeks, and upon notice of not less than one week, call another District meeting to consider the same or a revised budget. Such meetings must be convened at such intervals until a budget is passed.
5. If a District budget is not approved before the beginning of a fiscal year, the disbursing officer for each member town, or the designee of such officer, shall make necessary expenditures to the District in amounts equal to a total of the town's appropriation to the District for the previous year and the town's proportionate share in any increment in debt service over the previous fiscal year, until a budget is approved. The town shall receive credit for such expenditures once the District budget is approved for the fiscal year.

EMPLOYEE PENSION SYSTEMS

The District

The District is the administrator of a single-employer pension employee system ("PERS") established and administered by the District to provide pension benefits for its employees. The plan covers substantially all regular employed, permanent noncertified employees of the District. Contribution requirements of the plan members and the District are established and may

be amended by the Board of Education. Plan members are required to contribute 5% of their earnings to the plan. The District is required to contribute at an actuarially determined rate. Administrative costs of the plan are financed through investment earnings of the plan's assets.

The District implemented Government Accounting Standards Board's ("GASB") Statement No. 67 effective Fiscal Year 2015. Net position is based on fair market value as of June 30 for the District employees. The Total Pension Liability is based on the actuarial assumptions as of the prior valuation date updated to July 1, 2024. The date of the District's most recent actuarial valuation was July 1, 2023.

In accordance with GASB Statement No. 67, the components of the net pension liability of the District's pension plans as of June 30 were as follows:

	Public Employees Retirement System (PERS) Plan				
	2026	2025	2024	2023	2022
Total pension liability.....	\$14,607,869	\$13,850,696	\$13,418,735	\$12,825,248	\$12,194,058
Plan fiduciary net position.....	15,061,951	13,559,585	12,377,106	11,366,137	10,574,450
Net pension liability.....	<u>(\$454,082)</u>	<u>\$291,111</u>	<u>\$1,041,629</u>	<u>\$1,459,111</u>	<u>\$1,619,608</u>
Plan fiduciary net position as a % of total pension liability.....	103.1%	97.9%	92.2%	88.6%	86.7%

The following represents the net pension liability of the District's pension plan, calculated using the discount rates listed below, as well as what the District'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:

	Fiscal year ending June 30, 2026		
	1% Decrease	Current	1% Increase
	5.75%	Discount Rate	7.75%
PERS Plan:			
Net Pension Liability.....	\$ 1,033,547	\$ (454,082)	\$ (1,725,523)

The following represents the actuarially determined employer contribution with the annual contribution made annually over the last five years:

Actuarial Valuation Date	Actuarially Determined Employer Contribution (ADEC)	Annual Contribution	% of ADEC Contributed
<i>PERS Plan</i>			
2027 ¹	\$353,987	\$353,987	100.00%
2026 ²	352,540	352,540	100.00%
2025	345,062	345,062	100.00%
2024	342,252	342,252	100.00%
2023	335,145	335,145	100.00%

¹ Adopted budget.

² Unaudited estimate.

All teachers and certified administrators employed by Regional School District Number 13 participate in a contributory defined benefit plan (the "Benefit Plan") established under Chapter 167a of the Connecticut General Statutes which is administered by the Connecticut State Teachers' Retirement Board. Certain part-time and all full-time certified teachers are eligible to participate in the Benefit Plan and are required to contribute 7% of their annual earnings to the Benefit Plan. The retirement system is funded by the State based on the recommendation of the Teachers' Retirement Board. Such contribution includes

amortization of the actuarially computed unfunded liability. The District does not and is not legally responsible to contribute to the Benefit Plan.

For further information and descriptions of the plan see Appendix A, Notes to Financial Statements, herein.

The Town of Durham

The Town of Durham is the administrator of a single-employer, contributory, defined benefit public employee's retirement system ("PERS") plan to provide pension benefits to substantially all Town employees. Participation in the plan is available to all eligible employees who have attained the age of 21 and who have completed one year of service. Employees are required to contribute 5.99% of their regular earnings to the plan. The Town is required to contribute the remaining amount necessary to finance the benefits for its employees as are actuarially determined.

In accordance with GASB Statement No. 67, the components of the net pension liability of the Town of Durham's pension plans as of June 30 were as follows:

	Public Employees Retirement System (PERS) Plan				
	2025	2024	2023	2022	2021
Total pension liability.....	\$6,347,476	\$5,931,297	\$5,812,365	\$5,571,682	\$5,166,558
Plan fiduciary net position.....	5,506,611	5,088,399	4,765,424	4,432,957	4,540,093
Net pension liability.....	<u>\$840,865</u>	<u>\$842,898</u>	<u>\$1,046,941</u>	<u>\$1,138,725</u>	<u>\$626,465</u>
Plan fiduciary net position as a % of total pension liability	86.8%	85.8%	82.0%	79.6%	87.9%

The following represents the net pension liability of the Town of Durham's pension plan, calculated using the discount rates listed below, as well as what the Town of Durham'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:

	Fiscal year ending June 30, 2025		
	1% Decrease	Current	1% Increase
	5.500%	Discount Rate	7.500%
		6.500%	
PERS Plan:			
Net Pension Liability.....	\$ 1,488,319	\$ 840,865	\$ 284,470

The following represents the actuarially determined employer contribution with the annual contribution made annually over the last five years:

Actuarial	Actuarially		
Valuation	Determined	Annual	% of ADC
Date	Employer	Contribution	Contributed
	Contribution		
	(ADEC)		
<u><i>PERS Plan</i></u>			
2025	\$142,633	\$142,633	100.00%
2024	164,376	164,376	100.00%
2023	180,226	180,226	100.00%
2022	184,600	184,600	100.00%
2021	157,795	157,795	100.00%

Defined Contribution Plan:

Effective July 1, 2017, the Town adopted a defined contribution 401(a) plan for Town of Durham employees. Plan benefits and contribution requirements are established by plan documents and approved by the Board of Selectmen. After one year of

service, Town employees are required to contribute 6% of their earnings on a pre-tax basis. The Town will contribute 3% of the earnings. Total contributions by employees and the Town were \$64,867 and \$32,471, respectively for the fiscal year ended June 30, 2025.

The Town of Middlefield

Town of Middlefield employees and full-time police participate in the Municipal Employees' Retirement Fund ("MERF"), a multiple-employer public employee retirement system ("PERS") established by the State of Connecticut and administered by the State Retirement Commission to provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to the employees and beneficiaries of participating municipalities. MERF is a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund.

Covered employees are required by State statute to contribute 3.25% of earnings upon which Social Security tax is paid plus 6% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute at an actuarially determined rate.

<u>Connecticut Municipal Employees' Retirement System (General Employees)</u>					
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Town's porportion of Net Pension Liability.....	0.206994%	0.198323%	0.205476%	0.202786%	0.164151%
Town's proportionate share of the Net Pension Liability..	\$ 867,887	\$ 904,852	\$ 923,828	\$ 479,947	\$ 644,624
Town's covered-employee payroll.....	\$ 647,423	\$ 598,571	\$ 578,810	\$ 549,108	\$ 420,392
Town's proportionate share of the Net Pension Liability as a percentage of its covered-employee payroll.....	134.05%	151.17%	159.61%	87.40%	153.34%
Plan fiduciary position as percentage of the Total Pension Liability.....	72.85%	69.54%	68.71%	82.59%	71.18%

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

<u>Fiscal year ending June 30, 2025</u>			
	<u>Current</u>		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
CMERS Plan:			
Net Pension Liability.....	\$ 1,244,939	\$ 867,887	\$ 550,191

The following represents the actuarially determined employer contribution with the annual contribution made annually over the last five years:

<u>Actuarial</u>	<u>Actuarially</u>		
<u>Valuation</u>	<u>Determined</u>		
<u>Date</u>	<u>Employer</u>	<u>Annual</u>	<u>% of ADC</u>
	<u>Contribution</u>	<u>Contribution</u>	<u>Contributed</u>
	<u>(ADEC)</u>		
<u>CMERS Plan</u>			
2025	\$93,988	\$93,988	100.00%
2024	101,585	101,585	100.00%
2023	86,791	86,791	100.00%
2022	61,611	61,611	100.00%
2021	58,190	58,190	100.00%

OTHER POST-EMPLOYMENT BENEFITS

The District

The District administers a single employer defined benefit healthcare plan, the Regional School District No. 13 Retiree Health Plan (RHP), to provide medical and life insurance benefits for eligible retirees and their spouses. All employees of the District are eligible to participate in the plan. Benefit provisions are established through negotiations between the District and the various unions representing the employees. The District currently pays for postemployment health care benefits on a pay-as-you-go basis. Administrative costs are financed from current operations.

As of July 1, 2024, the date of the last actuarial valuation, membership in the plan consisted of 309 active members and 13 retirees for a total of 322 members.

The District implemented GASB Statement No. 74 effective in Fiscal Year 2017. In accordance with GASB Statement No. 74, the components of the net pension liability of the District's OPEB plans as of June 30 were as follows:

	2026	2025	2024	2023	2022
Balance - July 1, 2024.....	\$2,207,678	\$4,580,104	\$4,782,666	\$3,817,280	\$4,460,819
Changes for the year:					
Service Cost.....	32,808	45,324	45,690	67,785	84,828
Interest on Total OPEB Liability.....	112,935	176,389	170,972	133,562	96,786
Difference Between Expected and.....					
Actual Experience.....	12,287	(2,218,427)	15,039	889,836	22,609
Change in Assumptions or Other Inputs....	111,149	(98,753)	(143,259)	100,459	(717,464)
Benefit Payments.....	(139,056)	(276,959)	(291,004)	(226,256)	(130,298)
Net Changes.....	130,123	(2,372,426)	(202,562)	965,386	(643,539)
Balance - June 30, 2025.....	<u>\$2,337,801</u>	<u>\$2,207,678</u>	<u>\$4,580,104</u>	<u>\$4,782,666</u>	<u>\$3,817,280</u>

The following represents the net OPEB liability of the District's OPEB plan, calculated using the discount rates listed below, as well as what the District'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:

	Fiscal year ending June 30, 2026		
	Current		
	1% Decrease	Discount Rate	1% Increase
	3.63%	4.63%	5.63%
Net OPEB Liability.....	\$ 2,552,279	\$ 2,337,801	\$2,147,669

The following represents the net OPEB liability of the District's OPEB plan, calculated using the healthcare cost trend rates listed below, as well as what the District'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:

	Fiscal year ending June 30, 2026		
	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
	(6.00% decreasing to 3.40%)	(7.00% decreasing to 4.40%)	(8.00% decreasing to 5.40%)
Net OPEB Liability.....	\$ 2,091,476	\$ 2,337,801	\$ 2,622,610

The Town of Durham

The Town of Durham provides post-employment medical benefits to eligible retirees and their spouses through a single-employer, contributory, defined benefit healthcare OPEB plan. No assets are accumulated in a trust that meets the requirements of GASB 75.

As of July 1, 2023, the date of the most recent actuarial valuation, membership in the plan consisted of 16 active members and no retirees and dependents for a total of 16 members.

The Town of Durham implemented GASB Statement No. 74 effective in Fiscal Year 2017. In accordance with GASB Statement No. 74, the components of the net pension liability of the District's OPEB plans as of June 30 were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Balance - July 1, 2024.....	\$ 12,562	\$ 23,616	\$ 21,321	\$ 32,505	\$ 28,794
Changes for the year:					
Service Cost.....	1,573	3,153	3,064	4,831	4,608
Interest on Total OPEB Liability.....	556	948	863	806	738
Difference Between Expected and.....					
Actual Experience.....	7	(15,034)	(1,512)	4,901	(1,685)
Change in Assumptions or Other Inputs....	(753)	(121)	(120)	(21,722)	50
Net Changes.....	1,383	(11,054)	2,295	(11,184)	3,711
Balance - June 30, 2025.....	<u>\$ 13,945</u>	<u>\$ 12,562</u>	<u>\$ 23,616</u>	<u>\$ 21,321</u>	<u>\$ 32,505</u>

The following represents the net OPEB liability of the Town of Durham's OPEB plan, calculated using the discount rates listed below, as well as what the Town of Durham'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.

	<u>Fiscal year ending June 30, 2025</u>		
	<u>Current</u>		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>4.20%</u>	<u>5.20%</u>	<u>6.20%</u>
Net OPEB Liability.....	\$ 14,533	\$ 13,945	\$ 13,367

The following represents the net OPEB liability of the Town of Durham's OPEB plan, calculated using the healthcare cost trend rates listed below, as well as what the Town of Durham'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:

	<u>Fiscal year ending June 30, 2025</u>		
	<u>Healthcare Cost</u>		
	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
	<u>(5.50% decreasing to 3.40%)</u>	<u>(6.50% decreasing to 4.40%)</u>	<u>(7.50% decreasing to 5.40%)</u>
Net OPEB Liability.....	\$ 12,444	\$ 13,945	\$ 15,736

The Town of Middlefield

The Town of Middlefield does not provide post-employment benefits to its retirees.

STATE AND FEDERAL AID FOR OPERATING PURPOSES

Fiscal Year	General Fund Revenues	Intergovernmental Revenue	Intergovernmental Revenue as a % General Fund
			Revenue
2026 ¹	\$ 42,542,547	\$ 714,631	1.7%
2025 ²	40,237,579	743,081	1.8%
2024	44,570,901	6,235,741	14.0%
2023	42,520,594	5,874,045	13.8%
2022	40,901,256	5,210,180	12.7%
2021	40,672,718	5,436,698	13.4%
2020	40,215,412	5,417,181	13.5%
2019	38,325,342	2,635,379	6.9%
2018	42,786,758	6,991,152	16.3%
2017	41,203,550	6,274,468	15.2%

¹ Adopted Budget, excludes on-behalf payments for Teachers' Pension Fund.

² Unaudited estimate excludes on-behalf payment for Teachers' Pension Fund.

Source: Annual audited financial statements, fiscal year 2024-25 unaudited estimate; fiscal year 2025-26 adopted budget.

EXPENDITURES

The District's major expenditure is for salaries. Approximately 56% of fiscal year 2024-25 General Fund expenditures are budgeted for that purpose. Other major expenditures and their approximate percentages include benefits at 16%, operational services at 17%, capital outlays at 5% and debt service at 1%.

District expenditures are summarized for fiscal years 2021 - 2025 in "Statement of Revenues, Expenditures and Changes in Fund Balance, General Fund", herein.

MUNICIPAL BUDGET EXPENDITURES CAP

Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. For fiscal years ending June 30, 2025 and 2026, the Towns of Durham and Middlefield did not receive any municipal revenue sharing grants.

COMPARATIVE GENERAL FUND OPERATING STATEMENT
(BUDGET AND ACTUAL – BUDGETARY BASIS)

The District

	Fiscal Year 2024-25			2025-26	2026-27
	Final	Actual	Variance	Unaudited	Adopted
	Budget	Operations	Favorable	Estimate	Budget
			(Unfavorable)		
REVENUES					
Member Town assessments.....	\$ 39,297,814	\$ 39,297,812	\$ (2)	\$ 41,078,848	\$ 42,378,524
Intergovernmental.....	824,940	773,562	(51,378)	755,908	942,286
Charges for services.....	70,000	66,167	(3,833)	120,810	95,000
Interest income.....	40,000	46,273	6,273	42,130	50,000
Other revenues.....	49,250	53,763	4,513	72,594	53,900
TOTAL REVENUES.....	40,282,004	40,237,577	(44,427)	42,070,290	43,519,710
EXPENDITURES					
Salaries.....	23,068,343	23,710,008	(641,665)	24,100,216	24,667,118
Employee benefits.....	6,719,031	6,712,048	6,983	7,108,965	7,203,429
Purchased services.....	1,443,612	1,181,708	261,904	1,278,092	1,452,298
Property services.....	1,710,081	1,416,352	293,729	1,537,765	1,764,753
Operational services.....	4,652,780	5,070,538	(417,758)	5,507,619	5,815,851
Supplies.....	1,350,501	1,229,979	120,522	1,264,555	1,430,660
Capital Outlays.....	1,308,647	1,286,683	21,964	1,149,220	945,310
Dues and fees.....	-	-	-	-	77,091
Debt Services:					
Principal.....	335,694	-	335,694	-	365,000
Interest.....	290,506	-	290,506	-	248,200
TOTAL EXPENDITURES.....	40,879,195	40,607,316	271,879	41,946,432	43,969,710
Excess (deficiency) of revenues over expenditures.....	<u>(597,191)</u>	<u>(369,739)</u>	<u>227,452</u>	<u>123,858</u>	<u>(450,000)</u>
Other financing sources (uses):					
Cancellation of prior year's encumbrances.....	-	-	-	-	-
Transfer from capital reserve.....	729,487	729,487	-	-	-
Appropriated fund balance.....	597,191	-	(597,191)	-	450,000
Transfers in.....	-	-	-	-	-
Transfers out.....	-	-	-	-	-
Total other financing sources (uses)...	<u>1,326,678</u>	<u>729,487</u>	<u>(597,191)</u>	<u>-</u>	<u>450,000</u>
Net change in fund balances.....	<u>\$ 729,487</u>	<u>\$ 359,748</u>	<u>\$ (369,739)</u>	<u>\$ 123,858</u>	<u>\$ -</u>

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

Town of Durham

	Fiscal Year 2024-25			Fiscal Year 2025-26	Fiscal Year 2026-27
	Final	Actual	Variance	Adopted	Adopted
	Budget	Operations	Favorable (Unfavorable)	Budget	Budget
REVENUES					
Property taxes.....	\$ 27,991,198	\$ 27,915,550	\$ (75,648)	\$ 29,038,986	\$ 30,137,031
Intergovernmental.....	4,313,132	4,387,725	74,593	4,414,534	4,570,579
Local revenues.....	1,456,809	1,503,893	47,084	906,241	963,154
Miscellaneous.....	-	206		-	-
TOTAL REVENUES.....	33,761,139	33,807,374	46,029	34,359,761	35,670,764
EXPENDITURES					
Current:					
Elected officials.....	576,774	553,610	23,164	564,390	596,078
Professional Services.....	711,260	712,005	(745)	731,301	800,000
Town Commissions.....	81,799	74,106	7,693	96,584	121,455
Buildings and grounds.....	566,983	556,493	10,490	330,687	372,142
General Expenses.....	1,308,818	1,287,831	20,987	1,465,911	1,572,663
Public Works.....	1,401,523	1,377,686	23,837	1,321,648	1,428,785
Public Safety.....	584,464	569,950	14,514	616,688	680,432
Health and welfare.....	272,614	272,041	573	331,373	330,586
Library.....	545,299	527,421	17,878	549,530	581,821
Recreation.....	158,981	150,360	8,621	240,868	173,524
Education.....	25,799,015	25,799,015	-	26,935,401	27,707,079
Capital Improvements.....	1,810,046	995,799	814,247	1,052,570	1,414,874
Environmental Services.....	364,857	364,857	-	415,527	363,856
Debt Service.....	134,895	134,895	-	132,105	129,316
Miscellaneous.....	55,878	55,681	197	230,518	128,518
TOTAL EXPENDITURES	34,373,206	33,431,750	941,456	35,015,101	36,401,129
Revenues over (under) expenditures.....	(612,067)	375,624	987,485	(655,340)	(730,365)
Other financing sources (uses):					
Operating transfers in.....	-	-	-	-	-
Operating transfers out.....	(565,560)	(565,560)	-	(344,660)	(305,635)
Appropriated fund balance.....	1,177,627	1,177,627	-	1,000,000	1,036,000
Total other financing sources (uses).....	612,067	612,067	-	655,340	730,365
Net change in fund balances.....	\$ -	\$ 987,691	\$ 987,485	\$ -	\$ -

Source: Annual audited financial statements, and fiscal year 2025-26 and 2026-27 adopted budgets.

Town of Middlefield

	Fiscal Year 2024-25			Fiscal Year 2025-26	Fiscal Year 2026-27
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	Unaudited Estimate	Adopted Budget
REVENUES					
Property taxes.....	\$ 14,878,045	\$ 14,992,024	\$ 113,979	\$ 15,708,944	\$ 16,771,855
Intergovernmental.....	2,393,292	2,411,739	18,447	2,397,682	2,391,506
Charges for services.....	165,389	184,101	18,712	654,935	209,500
Investment income.....	400,000	548,458	148,458	418,751	400,000
Other.....	63,800	138,279	74,479	171,626	71,900
TOTAL REVENUES	17,900,526	18,274,601	374,075	19,351,938	19,844,761
EXPENDITURES					
Current:					
General government.....	2,737,652	2,697,609	40,043	2,929,534	2,932,088
Public safety.....	544,015	534,208	9,807	603,317	630,896
Public works.....	644,555	644,555	-	607,159	627,037
Senior/social services.....	77,669	77,415	254	13,254	84,969
Parks and recreation.....	196,366	177,058	19,308	206,836	137,664
Regional School District 13.....	13,498,799	13,498,797	2	14,143,447	14,671,444
Debt service.....	50,736	50,736	-	51,021	540,372
TOTAL EXPENDITURES	17,749,792	17,680,378	69,414	18,554,568	19,624,470
Revenues over (under) expenditures.....	150,734	594,223	443,489	797,370	220,291
Other financing sources (uses):					
Use of fund balance.....	1,058,272	630,806	(427,466)		845,274
Operating transfers in.....	67,636	51,613	(16,023)	57,750	5,450
Operating transfers out.....	(1,276,642)	(1,276,642)	-	(1,057,750)	(1,071,015)
Total other financing sources (uses).....	(150,734)	(594,223)	(443,489)	(1,000,000)	(220,291)
Net change in fund balances.....	\$ -	\$ -	\$ -	\$ (202,630)	\$ -

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

COMPARATIVE BALANCE SHEETS - GENERAL FUND

The District

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
ASSETS					
Cash and cash equivalents.....	\$ 1,708,453	\$ 884,717	\$ 270,566	\$ 194,152	\$ 1,285,245
Accounts receivable.....	-	-	-	464,535	-
Intergovernmental receivable.....	-	-	7,573	-	-
Due from other funds.....	177,404	-	15,000	-	-
TOTAL ASSETS.....	<u>\$ 1,885,857</u>	<u>\$ 884,717</u>	<u>\$ 293,139</u>	<u>\$ 658,687</u>	<u>\$ 1,285,245</u>
LIABILITIES AND FUND BALANCES..					
LIABILITIES					
Accounts and other payables.....	\$ 227,368	\$ 101,114	\$ 79,414	\$ 66,726	\$ 5,733
Unearned revenue	-	3,000	-	-	914,782
Due to other funds	-	-	-	464,535	-
TOTAL LIABILITIES.....	<u>227,368</u>	<u>104,114</u>	<u>79,414</u>	<u>531,261</u>	<u>920,515</u>
FUND BALANCES					
Nonspendable.....	-	-	-	-	-
Restricted.....	1,116,458	493,856	-	-	-
Committed.....	-	-	-	-	-
Assigned.....	542,031	286,747	247,191	222,522	-
Unassigned.....	-	-	(33,466)	(95,096)	364,730
TOTAL FUND BALANCES.....	<u>1,658,489</u>	<u>780,603</u>	<u>213,725</u>	<u>127,426</u>	<u>364,730</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES FUND BALANCES.....	<u>\$ 1,885,857</u>	<u>\$ 884,717</u>	<u>\$ 293,139</u>	<u>\$ 658,687</u>	<u>\$ 1,285,245</u>

Source: Annual audited financial statements.

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Town of Durham

	2021	2022	2023	2024	2025
ASSETS					
Cash and cash equivalents.....	\$ 7,203,248	\$ 6,719,012	\$ 7,397,707	\$ 7,800,691	\$ 8,514,004
Receivables, net:					
Property taxes.....	864,337	709,660	600,012	524,825	444,130
Other	110,571	119,278	163,163	24,367	10,343
Due from other funds.....	424,902	390,727	432,777	2,681,432	171,539
Prepaid items.....	2,500	2,500	2,500	2,500	2,650
TOTAL ASSETS	\$ 8,605,558	\$ 7,941,177	\$ 8,596,159	\$11,033,815	\$ 9,142,666
LIABILITIES					
Accounts payables	\$ 481,853	\$ 668,540	\$ 654,211	\$ 698,134	\$ 472,286
Accrued expenses.....	63,494	35,439	42,319	49,727	67,346
Unearned revenue.....	-	-	-	78,611	-
Due to other funds.....	1,559,785	458,492	120,446	1,375,098	69,751
TOTAL LIABILITIES.....	2,105,132	1,162,471	816,976	2,201,570	609,383
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - taxes.....	769,250	594,468	478,123	449,419	358,012
Advance collection of property taxes...	62,293	8,862	513	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES.....	831,543	603,330	478,636	449,419	358,012
FUND BALANCES					
Nonspendable.....	2,500	2,500	2,500	2,500	2,650
Restricted.....	-	-	-	-	-
Assigned.....	602,142	570,245	479,942	1,221,048	1,766,819
Unassigned.....	5,064,241	5,602,631	6,818,105	7,159,278	6,405,802
TOTAL FUND BALANCES.....	5,668,883	6,175,376	7,300,547	8,382,826	8,175,271
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 8,605,558	\$ 7,941,177	\$ 8,596,159	\$11,033,815	\$ 9,142,666

Source: Annual audited financial statements.

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Town of Middlefield

	2021	2022	2023	2024	2025
ASSETS					
Cash and cash equivalents.....	\$ 8,544,344	\$ 8,780,949	\$ 8,451,115	\$10,456,463	\$ 9,172,485
Receivables, net:					
Property taxes, interest and liens.....	399,043	463,444	422,999	432,898	388,631
Other	51,042	29,183	42,244	14,586	29,968
Leases.....	-	258,681	205,702	158,843	149,705
Prepaid items.....	86,802		805,509	77,286	973,427
Due from other funds.....	-		80,076	56,941	61,241
TOTAL ASSETS.....	\$ 9,081,231	\$ 9,532,257	\$10,007,645	\$11,197,017	\$10,775,457
LIABILITIES					
Accounts payables and accrued expenses...	554,256	568,815	535,895	528,270	\$ 499,628
Unearned revenue - grants.....	-	-			
Due to other funds.....	4,091,925	4,369,000	4,857,693	3,566,958	3,876,283
TOTAL LIABILITIES.....	4,646,181	4,937,815	5,393,588	4,095,228	4,375,911
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes.....	353,272	337,974	377,857	326,194	309,594
Unavailable revenue - leases.....	-	254,963	199,830	2,321,495	2,266,658
Advance collection of property taxes.....	5,701		-	-	
TOTAL DEFERRED INFLOWS OF RESOURCES.....	358,973	592,937	577,687	2,647,689	2,576,252
FUND BALANCES					
Nonspendable.....	86,802	55,428	805,509	77,286	973,427
Committed.....	500,000	800,000	850,000	1,068,486	1,207,869
Assigned.....	-				-
Unassigned.....	3,489,275	3,298,831	2,380,861	3,308,328	1,641,998
TOTAL FUND BALANCES.....	4,076,077	4,154,259	4,036,370	4,454,100	3,823,294
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 9,081,231	\$ 9,685,011	\$10,007,645	\$11,197,017	\$10,775,457

Source: Annual audited financial statements.

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STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND
(GAAP BASIS)

The District

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES					
Assessments from district					
member towns.....	\$34,602,207	\$35,470,647	\$36,435,313	\$38,155,714	\$39,297,812
Intergovernmental revenue.....	5,436,698	5,210,180	5,874,045	6,235,741	6,356,777
Charges for services.....	30,025	53,163	68,051	72,077	66,167
Investment income.....	2,631	2,519	37,113	46,961	46,273
Miscellaneous.....	601,157	164,747	106,072	60,408	75,986
TOTAL REVENUES	<u>40,672,718</u>	<u>40,901,256</u>	<u>42,520,594</u>	<u>44,570,901</u>	<u>45,843,015</u>
EXPENDITURES					
Current:					
Salaries.....	19,954,175	20,030,091	20,512,500	21,096,621	21,822,453
Special education.....	7,933,757	8,682,477	9,246,771	9,386,676	10,326,615
Student services.....	1,691,168	1,812,732	2,250,225	2,250,916	2,391,173
Administration.....	5,688,343	5,236,384	4,829,999	4,195,861	4,203,130
Buildings.....	2,490,791	2,340,210	2,377,292	2,303,919	2,326,211
Transportation.....	1,676,867	1,859,092	1,949,364	2,372,699	3,051,729
Employee benefits.....	-	-	-	-	-
Purchased services.....	-	-	-	-	-
Property services.....	-	-	-	-	-
Operational services.....	-	-	-	-	-
Supplies.....	-	-	-	-	-
Capital outlay.....	851,752	778,292	675,866	3,211,927	1,005,805
Debt service.....	1,329,935	807,557	830,600	1,769,163	943,053
TOTAL EXPENDITURES	<u>41,616,788</u>	<u>41,546,835</u>	<u>42,672,617</u>	<u>46,587,782</u>	<u>46,070,169</u>
Excess (deficiency) of revenues over expenditures.....	(944,070)	(645,579)	(152,023)	(2,016,881)	(227,154)
Other financing sources (uses):					
Capital lease proceeds.....	354,414	-	290,995	2,663,297	515,109
Issuance of notes payable.....	-	330,562	-	-	-
Transfers in.....	150,000	155,262	-	-	729,487
Transfers out.....	(370,596)	(718,131)	(714,850)	(793,000)	(791,500)
Technology arrangement.....	-	-	9,000	60,285	11,362
Total other financing sources (uses)..<	<u>133,818</u>	<u>(232,307)</u>	<u>(414,855)</u>	<u>1,930,582</u>	<u>464,458</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses.....	(810,252)	(877,886)	(566,878)	(86,299)	237,304
Fund Balance - Beginning of year.....	<u>2,468,741</u>	<u>1,658,489</u>	<u>780,603</u>	<u>213,725</u>	<u>127,426</u>
Fund Balance - End of year.....	<u>\$ 1,658,489</u>	<u>\$ 780,603</u>	<u>\$ 213,725</u>	<u>\$ 127,426</u>	<u>\$ 364,730</u>

Source: Annual audited financial statements.

Town of Durham

	2021	2022	2023	2024	2025
REVENUES					
Property taxes.....	\$ 25,631,034	\$ 26,773,225	\$ 26,821,798	\$ 27,196,222	\$ 27,915,550
Intergovernmental.....	3,966,480	3,899,971	4,317,982	4,340,656	4,387,725
Fee and fines.....	518,668	611,538	515,321	911,685	573,926
Other.....	-	-	144,744	2,073	206
Investment income.....	33,065	30,033	170,891	475,608	526,160
TOTAL REVENUES.....	30,149,247	31,314,767	31,970,736	32,926,244	33,403,567
EXPENDITURES					
General government.....	2,623,878	2,733,903	2,667,557	2,724,903	3,060,247
Public safety.....	625,863	599,749	628,537	640,409	592,075
Public works.....	1,233,866	1,533,505	1,376,150	1,511,301	1,397,010
Health and welfare.....	216,600	232,196	298,651	286,881	272,041
Culture and recreation.....	162,350	197,734	215,766	256,217	266,265
Education.....	22,927,423	23,673,110	23,500,777	24,667,668	25,799,015
Library.....	523,748	525,384	546,337	564,412	567,165
Environmental services.....	279,769	305,020	320,246	325,564	364,857
Debt service.....	147,105	144,289	140,474	137,685	134,895
Capital outlay.....	713,936	626,712	861,543	669,380	995,799
TOTAL EXPENDITURES	29,454,538	30,571,602	30,556,038	31,784,420	33,449,369
Revenues over (under) expenditures	694,709	743,165	1,414,698	1,141,824	(45,802)
Other financing sources (uses)					
Transfers in.....	23,334	337,579	446,499	646,044	403,807
Transfers out.....	(516,834)	(574,251)	(736,026)	(705,589)	(565,560)
Total other financing sources (uses)..<	(493,500)	(236,672)	(289,527)	(59,545)	(161,753)
Net change in fund balances.....	201,209	506,493	1,125,171	1,082,279	(207,555)
Fund Balance - July 1.....	5,467,674	5,668,883	6,175,376	7,300,547	8,382,826
Fund Balance - June 30.....	\$ 5,668,883	\$ 6,175,376	\$ 7,300,547	\$ 8,382,826	\$ 8,175,271

Source: Audited financial statements.

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Town of Middlefield

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES					
Property taxes, interest and lien fees.....	\$ 14,193,330	\$ 13,930,576	\$ 14,439,721	\$ 15,112,949	\$ 14,992,024
Intergovernmental.....	2,205,543	2,202,494	2,286,061	2,360,757	2,411,739
Licenses, fees and charges for services...	252,696	203,933	188,704	231,606	184,101
Investment income.....	15,176	12,036	232,308	724,861	548,458
Miscellaneous.....	107,018	114,248	131,095	156,486	138,279
TOTAL REVENUES.....	<u>16,773,763</u>	<u>16,463,287</u>	<u>17,277,889</u>	<u>18,586,659</u>	<u>18,274,601</u>
EXPENDITURES					
General government.....	2,117,953	2,272,067	2,331,909	2,425,407	2,697,609
Public safety.....	538,429	565,675	535,475	513,505	534,208
Public works.....	475,531	510,542	512,565	519,541	644,555
Health and welfare.....	67,057	72,442	63,918	70,397	77,415
Parks and recreation.....	89,857	132,094	154,324	155,538	177,058
Education.....	11,674,784	11,797,537	12,934,536	13,488,046	13,498,797
Debt service.....	413,368	126,867	50,736	50,735	50,736
TOTAL EXPENDITURES.....	<u>15,376,979</u>	<u>15,477,224</u>	<u>16,583,463</u>	<u>17,223,169</u>	<u>17,680,378</u>
Excess (deficiency) of revenues over expenditures.....	<u>1,396,784</u>	<u>986,063</u>	<u>694,426</u>	<u>1,363,490</u>	<u>594,223</u>
Other financing sources (uses)					
Transfers in.....	84,486	34,751	48,449	48,331	51,613
Transfers out.....	<u>(883,720)</u>	<u>(942,632)</u>	<u>(860,764)</u>	<u>(994,091)</u>	<u>(1,276,642)</u>
Total other financing sources (uses).....	<u>(799,234)</u>	<u>(907,881)</u>	<u>(812,315)</u>	<u>(945,760)</u>	<u>(1,225,029)</u>
Net change in fund balances.....	597,550	78,182	(117,889)	417,730	(630,806)
Fund Balance - July 1.....	<u>3,478,527</u>	<u>4,076,077</u>	<u>4,154,259</u>	<u>4,036,370</u>	<u>4,454,100</u>
Fund Balance - June 30.....	<u>\$ 4,076,077</u>	<u>\$ 4,154,259</u>	<u>\$ 4,036,370</u>	<u>\$ 4,454,100</u>	<u>\$ 3,823,294</u>

Source: Annual audited financial statements.

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VI. DEBT SUMMARY

PRINCIPAL AMOUNT OF LONG-TERM INDEBTEDNESS

The District and Member Towns

Pro Forma as of October 21, 2026

The District

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding As of 10/21/2026</u>	<u>Date of Fiscal Year Maturity</u>
<u>Schools</u>					
5/17/2022	School Bonds.....	4.00 - 5.00%	\$ 6,900,000	\$ 5,840,000	2042
10/21/2026	The Bonds (This Issue).....	TBD	8,100,000	8,100,000	2047
	Total Long-Term Debt.....		\$15,000,000	\$ 13,940,000	

**REGIONAL SCHOOL DISTRICT NUMBER 13 OF THE STATE OF CONNECTICUT HAS NEVER DEFAULTED
IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.**

Capital Leases payments as of June 30, 2026:

Capital Leases Payable:	<u>Principal</u>	<u>Interest</u>
2027	\$870,256	\$149,887
2028	846,573	110,791
2029	487,695	72,948
2030	271,815	45,942
2031-35.....	1,464,254	136,606
2036-40.....	525,120	9,100
	<u>\$4,465,713</u>	<u>\$525,274</u>

Town of Durham

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding As of 10/21/2026</u>	<u>Date of Fiscal Year Maturity</u>
<u>General Purpose</u>					
7/10/2019	General Purpose Bonds.....	2.61%	\$ 1,500,000	\$ 856,000	2034
	Total Long-Term Debt.....		\$ 1,500,000	\$ 856,000	

Capital Leases:

The Town of Durham has no capital leases outstanding.

Town of Middlefield

The Town of Middlefield currently has no outstanding long-term debt.

Capital Leases payments:

Capital Leases Payable:	<u>Principal</u>	<u>Interest</u>
2027.....	\$49,439	\$1,296

OUTSTANDING SHORT-TERM INDEBTEDNESS - THE DISTRICT AND MEMBER TOWNS

Following this issue, the District will have \$24,000,000 in outstanding short-term indebtedness.

As of October 21, 2026 the Town of Middlefield has \$12,275,000 in bond anticipation notes outstanding. The Town of Durham does not have any short-term indebtedness.

OVERLAPPING AND UNDERLYING INDEBTEDNESS

Apart from the District, there are no political subdivisions with the power to issue debt or cause taxes to be levied on taxable property in the District. The gross outstanding indebtedness of the Member Towns, as of October 21, 2026, based on information furnished by these entities, is as follows:

<u>Member Town</u>	<u>Net Direct Indebtedness</u>	<u>Applicable to District's Net Debt</u>
Durham.....	\$ 856,000	\$ 856,000
Middlefield.....	12,275,000 ¹	12,275,000 ¹
Total.....	\$ 13,131,000	\$ 13,131,000

¹ Includes \$12,275,000 of short-term indebtedness for the Town of Middlefield.

The outstanding indebtedness of Regional School District Number 13 is considered overlapping of the Town of Durham and Middlefield:

<u>District's Net Direct Indebtedness</u>	<u>Applicable to Town of Durham (65.38%)</u>	<u>Applicable to Town of Middlefield (34.62%)</u>
\$37,940,000	\$24,805,172	\$13,134,828

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SCHEDULE OF LONG-TERM DEBT

Pro Forma as of October 21, 2026

(Pro Forma)

The District

Fiscal Year		General Obligation Bonds ¹			Bonds	Percent
Ending		Principal	Interest	Total	This Issue	Retired
30-Jun						
2027	\$	365,000	\$ 248,200	\$ 613,200	\$ -	2.62%
2028		365,000	229,950	594,950	-	5.24%
2029		365,000	211,700	576,700	350,000	10.37%
2030		365,000	193,450	558,450	350,000	15.49%
2031		365,000	175,200	540,200	350,000	20.62%
2032		365,000	160,600	525,600	375,000	25.93%
2033		365,000	146,000	511,000	375,000	31.24%
2034		365,000	131,400	496,400	400,000	36.73%
2035		365,000	116,800	481,800	400,000	42.22%
2036		365,000	102,200	467,200	400,000	47.70%
2037		365,000	87,600	452,600	400,000	53.19%
2038		365,000	73,000	438,000	425,000	58.86%
2039		365,000	58,400	423,400	425,000	64.53%
2040		365,000	43,800	408,800	450,000	70.37%
2041		365,000	29,200	394,200	450,000	76.22%
2042		365,000	14,600	379,600	475,000	82.25%
2043		-	-	-	475,000	85.65%
2044		-	-	-	500,000	89.24%
2045		-	-	-	500,000	92.83%
2046		-	-	-	500,000	96.41%
2047		-	-	-	500,000	100.00%
Total	\$	5,840,000	\$ 2,022,100	\$ 7,862,100	\$ 8,100,000	

¹ Does not include capital lease obligations.

Source: District Fiscal Office.

Town of Durham

Fiscal Year		General Obligation Bonds ¹			Percent
Ending		Principal	Interest	Total	Retired
30-Jun					
2027	\$	107,000	\$ 22,316	\$ 129,316	12.50%
2028		107,000	19,526	126,526	25.00%
2029		107,000	16,737	123,737	37.50%
2030		107,000	13,947	120,947	50.00%
2031		107,000	11,158	118,158	62.50%
2032		107,000	8,368	115,368	75.00%
2033		107,000	5,579	112,579	87.50%
2034		107,000	2,790	109,790	100.00%
Total	\$	856,000	\$ 100,422	\$ 956,422	

¹ Does not include capital lease obligations.

Source: Town of Durham Finance Director.

Town of Middlefield

The Town of Middlefield has no outstanding bonded debt as of October 21, 2026.

CURRENT DEBT STATEMENT

As of October 21, 2026

(Pro Forma)

The District

Long-Term Indebtedness

Schools.....	\$ 5,840,000
<i>The Bonds (This Issue)</i>	8,100,000
Total Long-Term Indebtedness	13,940,000

Short-Term Indebtedness

<i>Bond Anticipation Notes (This Issue)</i>	24,000,000
Total Short-Term Indebtedness	24,000,000

Total Direct Indebtedness	37,940,000
--	-------------------

Exclusions:

n/a.....	-
Net Direct Indebtedness	37,940,000
Overlapping/Underlying Indebtedness	13,180,439 ¹
Total Overall Net Direct Indebtedness	\$ 51,120,439

¹ Includes \$12,275,000 of short-term indebtedness for the Town of Middlefield.

Town of Durham

Long-Term Indebtedness

General Obligation Bonds.....	\$ 856,000
Total Long-Term Indebtedness	856,000

Short-Term Indebtedness

Bond Anticipation Notes payable.....	-
Total Short-Term Indebtedness	-

Total Direct Indebtedness	856,000
--	----------------

Exclusions:

n/a.....	-
Net Direct Indebtedness	856,000
Overlapping/Underlying Indebtedness	24,805,172
Total Overall Net Direct Indebtedness	\$ 25,661,172

Town of Middlefield

Long-Term Indebtedness	
General Obligation.....	\$ -
Total Long-Term Indebtedness.....	-
Short-Term Indebtedness	
Bond Anticipation Notes payable.....	12,275,000
Total Short-Term Indebtedness.....	12,275,000
Total Direct Indebtedness.....	12,275,000
Exclusions:	
n/a.....	-
Net Direct Indebtedness.....	12,275,000
Overlapping/Underlying Indebtedness.....	13,134,828
Total Overall Net Direct Indebtedness.....	\$ 25,409,828

CURRENT DEBT RATIOS

As of October 22, 2025

(Pro Forma)

The District

Total Direct Indebtedness	\$37,940,000
Total Net Direct Indebtedness.....	\$37,940,000
Total Overall Net Direct Indebtedness.....	\$51,120,439
Population.....	11,451
Net Taxable Grand List (10/1/25).....	\$1,648,874,720
Estimated Full Value.....	\$2,355,535,314
Equalized Net Taxable Grand List (10/1/24)..	\$2,636,358,329
Total Direct Indebtedness:	
Per Capita.....	\$3,313.25
To Net Taxable Grand List.....	2.30%
To Estimated Full Value.....	1.61%
To Equalized Net Taxable Grand List.....	1.44%
Net Direct Indebtedness:	
Per Capita.....	\$3,313.25
To Net Taxable Grand List.....	2.30%
To Estimated Full Value.....	1.61%
To Equalized Net Taxable Grand List.....	1.44%
Total Overall Net Direct Indebtedness:	
Per Capita.....	\$4,464.28
To Net Taxable Grand List.....	3.10%
To Estimated Full Value.....	2.17%
To Equalized Net Taxable Grand List.....	1.94%

Town of Durham

Total Direct Indebtedness	\$856,000
Total Net Direct Indebtedness.....	\$856,000
Total Overall Net Direct Indebtedness.....	\$25,661,172
Population.....	7,208
Net Taxable Grand List (10/1/25).....	\$1,123,294,577
Estimated Full Value.....	\$1,604,706,539
Equalized Net Taxable Grand List (10/1/24).....	\$1,612,292,325
Total Direct Indebtedness:	
Per Capita.....	\$118.76
To Net Taxable Grand List.....	0.08%
To Estimated Full Value.....	0.05%
To Equalized Net Taxable Grand List.....	0.05%
Net Direct Indebtedness:	
Per Capita.....	\$118.76
To Net Taxable Grand List.....	0.08%
To Estimated Full Value.....	0.05%
To Equalized Net Taxable Grand List.....	0.05%
Total Overall Net Direct Indebtedness:	
Per Capita.....	\$3,560.10
To Net Taxable Grand List.....	2.28%
To Estimated Full Value.....	1.60%
To Equalized Net Taxable Grand List.....	1.59%

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Town of Middlefield

Total Direct Indebtedness	\$12,275,000
Total Net Direct Indebtedness.....	\$12,275,000
Total Overall Net Direct Indebtedness.....	\$25,409,828
Population.....	4,243
Net Taxable Grand List (10/1/25).....	\$525,580,143
Estimated Full Value.....	\$750,828,776
Equalized Net Taxable Grand List (10/1/24)..<	\$1,024,066,004
Total Direct Indebtedness:	
Per Capita.....	\$2,893.00
To Net Taxable Grand List.....	2.34%
To Estimated Full Value.....	1.63%
To Equalized Net Taxable Grand List.....	1.20%
Net Direct Indebtedness:	
Per Capita.....	\$2,893.00
To Net Taxable Grand List.....	2.34%
To Estimated Full Value.....	1.63%
To Equalized Net Taxable Grand List.....	1.20%
Total Overall Net Direct Indebtedness:	
Per Capita.....	\$5,988.65
To Net Taxable Grand List.....	4.83%
To Estimated Full Value.....	3.38%
To Equalized Net Taxable Grand List.....	2.48%

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LIMITATION OF INDEBTEDNESS

The Connecticut General Statutes provides that the aggregate indebtedness of a regional school district shall not exceed:

- for a district empowered to provide for the member towns all programs under the general supervision and control of the State Board of Education 4.5 times the annual receipts from taxation of its member town for the prior fiscal year;
- for a district serving the same towns as are served by two or more town school district 2.25 times the annual receipts from taxation of its member towns for the prior fiscal year.

In no case, however, shall total indebtedness exceed 3.5 times the member towns’ annual receipts from taxation less the member towns’ aggregate indebtedness. “Annual receipts from taxation,” (the “base,”) are defined as total tax collections of the member towns including interest, penalties, late payment of taxes and state payments for revenue loss under CGS Sections 12-129d and 7-528.

In computing the aggregate indebtedness of a regional school district, excluded is debt issued in anticipation of the receipt of: (1) State or member town payments for the operation of the district’s schools, (2) State or Federal grant proceeds for which the district has received a written commitment or for which an allocation has been approved by the State Board Commission, and (3) the proceeds from contracts with the State, a State agency, or another municipality providing for the reimbursement of capital costs, but only to the extent such debt can be paid from such proceeds.

The statutes also provide for exclusion from the debt limitation any debt upon placement in escrow of the proceeds of refunding bonds in an amount to pay such debt.

STATEMENT OF STATUTORY DEBT LIMITATION
As of October 21, 2026
(Pro Forma)

The District

	<u>Durham</u>	<u>Middlefield</u>	<u>District Total</u>
Total Receipts Fiscal Year ending June 30, 2025 (including interest and lien fees)..	\$ 27,811,498	\$ 14,969,050	\$ 42,780,548
State Reimbursement for Revenue Loss on:			
Tax Relief for Elderly.....	-	-	-
Base for Establishing Debt Limit	\$ 27,811,498	\$ 14,969,050	\$ 42,780,548

DEBT LIMITATION:	<u>Schools</u>
(4.50 times base).....	\$192,512,466
INDEBTEDNESS:	
Bonds Payable.....	\$ 5,840,000
<i>The Bonds (This Issue)</i>	8,100,000
<i>The Notes (This Issue)</i>	24,000,000
Underlying Debt.....	13,131,000
Authorized but Unissued Debt.....	6,900,000
Total Bonded Indebtedness.....	\$ 57,971,000
	-
Net Bonded Indebtedness	57,971,000
Excess of Limit Over Outstanding and	
Authorized Debt.....	\$134,541,466

¹ Includes \$12,275,000 of short-term indebtedness for the Town of Middlefield.

Town of Durham

Total Fiscal Year Ending 2025 Receipts (including interest and lien fees).....	\$ 27,811,498
State Reimbursement for Revenue Loss on:	
Tax Relief for Elderly.....	-
Base for Establishing Debt Limit	<u>\$ 27,811,498</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Past Pension</u>	<u>Total Debt</u>
(2.25 times base).....	\$ 62,575,871					
(4.50 times base).....		\$125,151,741				
(3.75 times base).....			\$104,293,118			
(3.25 times base).....				\$ 90,387,369		
(3.00 times base).....					\$ 83,434,494	
(7.00 times base).....						\$194,680,486
Indebtedness						
Bonds Payable.....	\$ 856,000	\$ -	\$ -	\$ -	\$ -	\$ 856,000
Overlapping Debt - RSD 13....	-	24,805,172	-	-	-	24,805,172
Authorized but						
Unissued Debt.....	-	-	-	-	-	-
Total Bonded Indebtedness	856,000	24,805,172	-	-	-	25,661,172
Sewer Assessments.....	-	-	-	-	-	-
Net Bonded Indebtedness	856,000	24,805,172	-	-	-	25,661,172
Excess of Limit Over						
Outstanding and						
Authorized Debt.....	\$ 61,719,871	\$100,346,569	\$104,293,118	\$ 90,387,369	\$ 83,434,494	\$169,019,314

Source: Town of Durham Finance Director.

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Town of Middlefield

Total Fiscal Year Ending 2025 Receipts (including interest and lien fees).....	\$ 14,969,050
State Reimbursement for Revenue Loss on:	
Tax Relief for Elderly.....	-
Base for Establishing Debt Limit	<u>\$ 14,969,050</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Past Pension</u>	<u>Total Debt</u>
(2.25 times base).....	\$ 33,680,363					
(4.50 times base).....		\$ 67,360,725				
(3.75 times base).....			\$ 56,133,938			
(3.25 times base).....				\$ 48,649,413		
(3.00 times base).....					\$ 44,907,150	
(7.00 times base).....						\$104,783,350
Indebtedness						
Bonds Payable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Note Payable.....	12,275,000	-	-	-	-	12,275,000
Overlapping Debt - RSD 13....	-	\$13,134,828	-	-	-	13,134,828
Authorized but						
Unissued Debt.....	650	-	-	-	-	650
Total Bonded Indebtedness.....	<u>12,275,650</u>	<u>13,134,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,410,478</u>
	-	-	-	-	-	-
Net Bonded Indebtedness.....	<u>12,275,650</u>	<u>13,134,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,410,478</u>
Excess of Limit Over						
Outstanding and						
Authorized Debt.....	<u>\$ 21,404,713</u>	<u>\$ 54,225,897</u>	<u>\$ 56,133,938</u>	<u>\$ 48,649,413</u>	<u>\$ 44,907,150</u>	<u>\$ 79,372,872</u>

Source: Town of Middlefield Finance Director.

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HISTORY OF OUTSTANDING INDEBTEDNESS - THE DISTRICT AND MEMBER TOWNS

The District

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026¹</u>
Long-Term Debt					
Bonds.....	\$ 8,240,000	\$ 7,560,000	\$ 6,880,000	\$ 6,200,000	\$ 5,840,000
Leases.....	4,458,635	4,280,445	6,201,898	5,706,180	4,465,713
Short-Term Debt					
Bond Anticipation Notes....	-	-	-	-	20,000,000
Total.....	\$ 12,698,635	\$ 11,840,445	\$ 13,081,898	\$ 11,906,180	\$ 30,305,713

Town of Durham

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026¹</u>
Long-Term Debt					
Bonds.....	\$ 1,284,000	\$ 1,177,000	\$ 1,070,000	\$ 963,000	\$ 856,000
Leases.....	-	-	-	-	-
Short-Term Debt					
Bond Anticipation Notes....	-	-	-	-	-
Total.....	\$ 1,284,000	\$ 1,177,000	\$ 1,070,000	\$ 963,000	\$ 856,000

Town of Middlefield

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026¹</u>
Long-Term Debt					
Bonds.....	\$ -	\$ -	\$ -	\$ -	\$ -
Leases.....	234,890	190,311	144,563	97,616	49,439
Short-Term Debt					
Bond Anticipation Notes....	-	-	-	-	12,275,000
Total.....	\$ 234,890	\$ 190,311	\$ 144,563	\$ 97,616	\$ 12,324,439

¹ Unaudited estimate.

Source: Fiscal Year audited financial statements.

SCHOOL PROJECTS

The State of Connecticut provides proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996. Under the current program, the State of Connecticut will make proportional progress payments for eligible construction costs during the construction of the projects at the estimated reimbursement rates. The following represents current reimbursable school construction projects:

<u>Project</u>	<u>Total Authorization</u>	<u>Reimbursement Rate</u>	<u>Estimated Grant¹</u>
Memorial School Renovation & Expansion....	\$ 76,130,000	68.21%	\$ 51,928,273

¹ Estimated grants receivable are based upon eligibility of reimbursable project costs. Final eligible costs will be determined upon completion of a post-project audit.

LEGAL REQUIREMENTS FOR APPROVAL OF BORROWING

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

TEMPORARY FINANCING

When general obligation bonds have been authorized by the District, bond anticipation notes may be issued maturing in not more than four years. 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 budgeted principal reductions by the end of the fifth 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 certain school projects) of the estimated net project cost. Temporary notes must be permanently funded no later than ten years from their initial borrowing date. The term of the bond issue is reduced by the amount of time temporary financing exceeds four years (CGS Secs. 10-56, 7-378a).

EXISTING AND FUTURE CAPITAL PROJECT FINANCING - THE DISTRICT

The District develops and modifies annually a five-year capital plan for educational program enhancements, infrastructure upgrades, or large items identified as needing replacement or additions to the District.

The District is currently undertaking a \$76.1 million renovation and expansion at Memorial School. The District has authorized \$39 million in bonding for the project. The District expects to borrow approximately \$5 million annually for the next two years.

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VII. LEGAL AND OTHER INFORMATION

LITIGATION

Following consultation with the attorney for the District and other attorneys providing legal services to the District, District officials advise that the Regional School District Number 13 of the State of Connecticut, its officers, employees and boards are named defendants in a number of lawsuits. With regard to these pending lawsuits, it is the District 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 District which would materially adversely affect its financial position.

The Towns of Durham and Middlefield, and each of their officers, employees, boards and commissions are defendants in a number of lawsuits. It is the opinion of the respective Town Attorneys that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the respective Member Town which would materially adversely affect its financial position.

MUNICIPAL ADVISOR

The District has retained Munistat to serve as its municipal advisor in connection with the issuance of the Bonds and the Notes. Munistat has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy.

Munistat's fee for services rendered with respect to the sale of the Bonds and the Notes is contingent upon the issuance and delivery of the Bonds and the Notes. Munistat also serves as Municipal Advisor to the member towns of Durham and Middlefield.

LEGAL MATTERS

Shipman & Goodwin LLP, of Hartford, Connecticut is serving as bond counsel with respect to the authorization, issuance and sale of the Bonds and the Notes and expects to render its opinions with respect to the Bonds and the Notes on the Closing Date in substantially the forms attached as Appendix B and C to this Official Statement.

TRANSCRIPT AND CLOSING DOCUMENTS

Upon delivery of the Bond and the Notes, the original purchaser will be furnished with the following:

1. Signature and No Litigation Certificates stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the Notes or the levy or collection of taxes to pay the principal and interest on the Bonds and the Notes;
2. Certificates on behalf of the District, signed by the Chairman of the Board of Education and the Treasurer, dated the date of delivery of the Bonds and the Notes and attached to a signed copy of the Official Statement, certifying that to the best of said officials' knowledge and belief, at the time the bids on the Bonds and the Notes were accepted, the descriptions and statements in the Official Statement relating to the District and its Member Towns and each of their 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 District or its Member Towns from that set forth in or contemplated by the Official Statement;
3. Approving opinions of Shipman & Goodwin LLP, of Hartford, Connecticut;
4. Receipts for the purchase price of the Bonds and the Notes;
5. Executed Continuing Disclosure Agreements for the Bonds and the Notes in substantially the forms of Appendix D and Appendix E to the Official Statement; and
6. Within seven business days of the bid opening, the District will furnish the winning purchasers with a reasonable number of copies of the Official Statement, as prepared by the District.

The District has a Preliminary Official Statement for the Bonds and the Notes which is dated October 5, 2026. The District deems such Official Statement final as of its date for purposes of SEC Rule 15c-12(b)(1), but it is subject to revision or amendment. The District will make available to the winning bidders of the Bonds and the Notes a reasonable number of copies of the final Official Statement at the District's expense within seven business days of the bid opening. Additional copies may be obtained by the purchaser at its own expense by arrangement with the printer.

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

CONCLUDING STATEMENT

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

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

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

REGIONAL SCHOOL DISTRICT NUMBER 13

By: _____
Robert Moore
Chairman of the Board of Education

By: _____
Christine Cowan
Treasurer of the Board of Education

Dated: October __, 2026

APPENDIX A - FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

Board of Education
Regional School District No. 13
Durham, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Regional School District No. 13, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Regional School District No. 13's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Regional School District No. 13, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Regional School District No. 13 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Regional School District No. 13's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Regional School District No. 13'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 Regional School District No. 13's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Regional School District No. 13's basic financial statements. The combining and individual fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of debt limitation accompanying the financial statements has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we did not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2025, on our consideration of the Regional School District No. 13'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 Regional School District No. 13'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 Regional School District No. 13's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
December 6, 2025

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REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Management of Regional School District No. 13 (the Region) offers readers of these financial statements this narrative overview and analysis of the financial activities of the Region for the fiscal year ended June 30, 2025.

Financial Highlights

- The assets of the Region exceeded its liabilities at the close of the most recent fiscal year by \$23,597,568 (net position).
- The Region's total net position decreased by \$37,462.
- As of the close of the current fiscal year, the Region's governmental funds reported a combined ending fund balance of \$4,705,301, a decrease of \$1,204,443 in comparison with the prior year balance due to the use of fund balance to balance the budget and capital reserve funds for the Memorial construction project architect fees.
- At the end of the current fiscal year, the fund balance for the general fund was \$364.730, an increase of \$237,304 which is designated for subsequent year budgets.
- Long-term bonds payable decreased by \$680,000 in bond payments.

Overview of the Basic Financial Statements

This discussion and analysis are intended to serve as an introduction to the Region's basic financial statements. The Region's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains 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 Region's finances in a manner similar to a private-sector business.

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

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

The government-wide financial statements present the functions of the Region, which are principally supported by assessments to member towns and intergovernmental revenues. The governmental activities of the Region include general instruction, special education, student services, administration, buildings, and transportation.

REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

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 Region uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Region 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 evaluating the Region'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 Region's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Region maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Special School Grants and Programs Fund, the Capital Reserve Fund and the School Cafeteria Fund, all of which are considered to be major funds. Data from the other five 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 Region adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

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

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found in Exhibits A-1 and A-2.

REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Region, assets exceeded liabilities by \$23,597,468 at the close of the most recent fiscal year.

By far, the largest portion of the Region's net position reflects its investment in capital assets (e.g., land, buildings, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Region uses these capital assets to provide public education to eligible citizens living within the district; consequently, these assets are not available for future spending. Although the Region's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net position is \$(3,664,772).

NET POSITION

	Governmental Activities	
	2025	2024
Assets:		
Current and Other Assets	\$ 5,955,847	\$ 6,254,708
Capital Assets, Net of Accumulated Depreciation	37,048,662	37,366,201
Total Assets	43,004,509	43,620,909
Deferred Outflows of Resources	1,641,923	1,987,493
Liabilities:		
Long-Term Liabilities Outstanding	15,021,013	19,221,605
Other Liabilities	1,203,959	169,684
Total Liabilities	16,224,972	19,391,289
Deferred Inflows of Resources	4,823,892	2,582,083
Net Position:		
Net Investment in Capital Assets	26,654,486	27,084,226
Restricted	607,854	860,001
Unrestricted	(3,664,772)	(4,309,197)
Total Net Position	<u>\$ 23,597,568</u>	<u>\$ 23,635,030</u>

Governmental Activities. The Region's net position decreased by \$37,462 during the current fiscal year. The decrease is attributed to the use of the fund balance to balance the 24/25 budget.

REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

CHANGES IN NET POSITION

	Governmental Activities	
	2025	2024
Revenues:		
Program Revenues:		
Charges for Services:		
General Instruction	\$ 24,978	\$ 28,239
Special Education	736,234	743,226
Student Services	761,693	637,063
Buildings	41,189	43,838
Operating Grants and Contributions	8,297,978	6,856,921
Capital Grants and Contributions	1,518,605	446,988
General Revenues:		
Assessments from Member Towns	39,297,812	38,155,714
Investment Income	159,142	181,784
Miscellaneous	75,986	60,408
Total Revenues	<u>50,913,617</u>	<u>47,154,181</u>
Expenses:		
General Instruction	23,027,851	21,361,106
Special Education	11,668,795	10,425,160
Student Services	3,482,960	3,193,094
Administration	3,749,226	3,893,175
Buildings	4,248,333	4,455,557
Transportation	3,589,989	2,581,762
Interest Expense	1,183,925	1,046,384
Total Expenses	<u>50,951,079</u>	<u>46,956,238</u>
Change in Net Position	(37,462)	197,943
Net Position - Beginning of Year	<u>23,635,030</u>	<u>23,437,087</u>
Net Position - End of Year	<u><u>\$ 23,597,568</u></u>	<u><u>\$ 23,635,030</u></u>

The Region's net position decreased by \$37,462 during the current fiscal year. The decrease is attributed to the use of fund balance to balance the 24/25 budget.

REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Financial Analysis of the Region's Funds

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

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

At the end of the current fiscal year, the Region's governmental funds reported a combined ending fund balance of \$4,705,301 a decrease of \$1,204,443 in comparison with the prior year. Fund balance is reserved to indicate that it is not available for new spending because it has already been committed as capital reserves and other governmental projects or funds.

General Fund Budgetary Highlights

There were differences between the original budget individual line items and the final amended budget of revenues and expenditures. Budgetary variances can be briefly summarized as follows:

Final Budget to Actual

Revenues

- Negative variance (under budget) in the area of state grants, tuition and miscellaneous.

Expenditures

Positive variances (under budget) in the areas of purchased services, snow removal, repairs, transportation and supplies. Negative variances (over budget) were experienced in salaries being budgeted at a 98% vacancy factor resulting in a negative adjustment to budgeted salaries in the amount of by \$641,665, transportation and tuition.

Capital Assets and Debt Administration

Capital Assets. The Region's investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$37,048,662 (net of accumulated depreciation/amortization). This investment in capital assets includes land, buildings and machinery and equipment. The change in the Region's capital assets for the current fiscal year is a result of adjustments for normal depreciation/amortization and acquisitions and dispositions of assets.

REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

CAPITAL ASSETS
(NET OF DEPRECIATION/AMORTIZATION)

	Governmental Activities	
	2025	2024
Land	\$ 200,000	\$ 200,000
Construction in Progress	1,647,925	\$ 436,410
Buildings and Improvements	24,991,462	26,064,698
Land Improvements	4,113,328	3,938,730
Equipment	728,721	875,021
Vehicles	12,413	13,269
SBITA's	40,473	54,844
Right-to-Use Leased Asset	5,314,340	5,783,229
Total	<u>\$ 37,048,662</u>	<u>\$ 37,366,201</u>

Additional information on the Region's capital assets can be found in Note 3B of this report.

Long-Term Debt. At the end of the current fiscal year, the Region had total bonded debt outstanding of \$6,200,000. All of this debt comprises debt backed by the full faith and credit of the Region.

OUTSTANDING DEBT
GENERAL OBLIGATION BONDS

	Governmental Activities	
	2025	2024
General Obligation Bonds	<u>\$ 6,200,000</u>	<u>\$ 6,880,000</u>

The Region's outstanding general obligation bonds decreased by \$680,000 during the current fiscal year. The Region's rating is Aa3 from Moody's for general obligation debt.

State Statutes limit the amount of general obligation debt a regional school district may issue to 4.5 times total tax collections including interest and lien fees and the tax relief for elderly freeze grant of the member towns. The current debt limitation for the Region is \$185,760,936, which is significantly in excess of the Region's outstanding general obligation debt.

A portion of the Region's debt is allocated to each member town and is included in the town's debt limitation. Additional information on the Region's long-term debt can be found in Note 3D of this report.
Requests for Information

**REGIONAL SCHOOL DISTRICT NO. 13
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025**

Economic Factors and Future Year's Budgets

Offsetting school budgets with taxpayer fiduciary responsibility is a strategy that requires careful balancing between fiscal accountability and meeting educational needs. Over the next few years, the region hopes to move forward with consolidating schools to reduce operational and capital costs.

This financial report is designed to provide a general overview of the Region'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 Kimberly Neubig, Director of Finance, Regional School District No. 13, 135A Pickett Lane, Durham, Connecticut 06422.

BASIC FINANCIAL STATEMENTS

REGIONAL SCHOOL DISTRICT NO. 13
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 5,817,174
Accounts Receivable	116,620
Inventory	22,053
Capital Assets not Being Depreciated	1,847,925
Capital Assets Net of Accumulated Depreciation and Amortization	<u>35,200,737</u>
Total Assets	43,004,509
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - OPEB	1,425,851
Deferred Outflows - Pension	<u>216,072</u>
Total Deferred Outflows of Resources	1,641,923
LIABILITIES	
Current Liabilities:	
Accounts and Other Payables	207,314
Accrued Interest Payable	33,275
Unearned Revenue	963,370
Noncurrent Liabilities:	
Due Within One Year	1,776,720
Due in More than One Year	<u>13,244,293</u>
Total Liabilities	16,224,972
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to OPEB	4,233,530
Deferred Inflows Related to Pension	<u>590,362</u>
Total Deferred Inflows of Resources	<u>4,823,892</u>
NET POSITION	
Net Investment in Capital Assets	26,654,486
Restricted for:	
Student Activities	354,518
Capital Projects	74,867
Grants	10,810
School Lunch Program	167,659
Unrestricted	<u>(3,664,772)</u>
Total Net Position	<u><u>\$ 23,597,568</u></u>

See accompanying Notes to Financial Statements.

**REGIONAL SCHOOL DISTRICT NO. 13
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
GOVERNMENTAL ACTIVITIES					
General Instruction	\$ 23,027,851	\$ 24,978	\$ 4,605,993	\$ -	\$ (18,396,880)
Special Education	11,668,795	736,234	2,451,453	-	(8,481,108)
Student Services	3,482,960	761,693	443,138	-	(2,278,129)
Administration	3,749,226	-	797,394	-	(2,951,832)
Buildings	4,248,333	41,189	-	1,518,605	(2,688,539)
Transportation	3,589,989	-	-	-	(3,589,989)
Debt Service Interest and Related Costs	1,183,925	-	-	-	(1,183,925)
Total Governmental Activities	<u>\$ 50,951,079</u>	<u>\$ 1,564,094</u>	<u>\$ 8,297,978</u>	<u>\$ 1,518,605</u>	(39,570,402)
GENERAL REVENUES					
Assessments from District Member Towns					39,297,812
Investment Income					159,142
Miscellaneous					75,986
Total General Revenues					<u>39,532,940</u>
CHANGE IN NET POSITION					(37,462)
Net Position - Beginning of Year					<u>23,635,030</u>
NET POSITION - END OF YEAR					<u>\$ 23,597,568</u>

See accompanying Notes to Financial Statements.

**REGIONAL SCHOOL DISTRICT NO. 13
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025**

	General	School Cafeteria Fund	Special School Grants and Programs	Capital Reserve Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 1,285,245	\$ 165,946	\$ 28,247	\$ 3,878,124	\$ 459,612	\$ 5,817,174
Intergovernmental Receivable	-	24,566	17,186	74,868	-	116,620
Inventory	-	22,053	-	-	-	22,053
Total Assets	<u>\$ 1,285,245</u>	<u>\$ 212,565</u>	<u>\$ 45,433</u>	<u>\$ 3,952,992</u>	<u>\$ 459,612</u>	<u>\$ 5,955,847</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts and Other Payables	\$ 5,733	\$ -	\$ 13,888	\$ 185,723	\$ 1,970	\$ 207,314
Unearned Revenue	914,782	22,853	20,735	-	5,000	963,370
Total Liabilities	<u>920,515</u>	<u>22,853</u>	<u>34,623</u>	<u>185,723</u>	<u>6,970</u>	<u>1,170,684</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Grants	-	-	4,995	74,867	-	79,862
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>4,995</u>	<u>74,867</u>	<u>-</u>	<u>79,862</u>
FUND BALANCES						
Nonspendable	-	22,053	-	-	-	22,053
Restricted	-	167,659	5,815	2,064,090	354,518	2,592,082
Committed	-	-	-	-	98,124	98,124
Assigned	-	-	-	1,628,312	-	1,628,312
Unassigned	364,730	-	-	-	-	364,730
Total Fund Balances	<u>364,730</u>	<u>189,712</u>	<u>5,815</u>	<u>3,692,402</u>	<u>452,642</u>	<u>4,705,301</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,285,245</u>	<u>\$ 212,565</u>	<u>\$ 45,433</u>	<u>\$ 3,952,992</u>	<u>\$ 459,612</u>	<u>\$ 5,955,847</u>

See accompanying Notes to Financial Statements.

**REGIONAL SCHOOL DISTRICT NO. 13
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2025**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Amounts reported for governmental activities in the statement of net are position (Exhibit I) different from the governmental fund balance sheet. The details of this difference are as follows:

Total Fund Balances (Exhibit III)	\$ 4,705,301
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental Capital Assets	71,970,643
Less: Accumulated Depreciation and Amortization	(34,921,981)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Intergovernmental Receivables	79,862
Deferred outflows of resources and deferred inflows of resources for pension and OPEB are applicable to future periods, and, therefore, are not reported in the governmental funds:	
Deferred Outflows - OPEB	1,425,851
Deferred Outflows - Pension	216,072
Deferred Inflows - OPEB	(4,233,530)
Deferred Inflows - Pension	(590,362)
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds Payable	(6,200,000)
Notes Payable	(67,956)
Bond Premium	(332,318)
Compensated Absences	(249,681)
Net Pension Liability	(291,111)
Total OPEB Liability	(2,207,678)
Lease Liability	(5,638,224)
Subscription - Based Information Technology Agreement Liability	(34,045)
Accrued Interest Payable	(33,275)
Net Position of Governmental Activities (Exhibit I)	<u><u>\$ 23,597,568</u></u>

See accompanying Notes to Financial Statements.

REGIONAL SCHOOL DISTRICT NO. 13
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General	School Cafeteria Fund	Special School Grants and Programs	Capital Reserve Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Assessments from District Member Towns	\$ 39,297,812	\$ -	\$ -	\$ -	\$ -	\$ 39,297,812
Intergovernmental	6,356,777	178,324	778,062	1,518,605	-	8,831,768
Charges for Services	66,167	367,666	-	-	736,234	1,170,067
Other	-	-	-	-	394,027	394,027
Investment Income	46,273	5,451	-	107,418	-	159,142
Miscellaneous	75,986	-	-	-	-	75,986
Total Revenues	45,843,015	551,441	778,062	1,626,023	1,130,261	49,928,802
EXPENDITURES						
Current:						
General Instruction	21,822,453	25,161	257,036	-	-	22,104,650
Special Education	10,326,615	-	522,481	-	629,954	11,479,050
Student Services	2,391,173	684,186	-	-	21,360	3,096,719
Administration	4,203,130	1,221	-	-	-	4,204,351
Buildings	2,326,211	-	-	-	14,641	2,340,852
Transportation	3,051,729	-	-	-	69,480	3,121,209
Education	-	-	-	-	322,503	322,503
Capital Outlay	1,005,805	38,477	-	2,032,541	-	3,076,823
Debt Service	943,053	-	-	970,506	-	1,913,559
Total Expenditures	46,070,169	749,045	779,517	3,003,047	1,057,938	51,659,716
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(227,154)	(197,604)	(1,455)	(1,377,024)	72,323	(1,730,914)
OTHER FINANCING SOURCES (USES)						
Transfers In	729,487	13,500	-	778,000	-	1,520,987
Transfers Out	(791,500)	-	-	(729,487)	-	(1,520,987)
Issuance of Lease	515,109	-	-	-	-	515,109
Issuance of Subscription-Based Information Technology Arrangement	11,362	-	-	-	-	11,362
Total Other Financing Sources (Uses)	464,458	13,500	-	48,513	-	526,471
NET CHANGE IN FUND BALANCES	237,304	(184,104)	(1,455)	(1,328,511)	72,323	(1,204,443)
Fund Balances - Beginning of Year	127,426	373,816	7,270	5,020,913	380,319	5,909,744
FUND BALANCES - END OF YEAR	<u>\$ 364,730</u>	<u>\$ 189,712</u>	<u>\$ 5,815</u>	<u>\$ 3,692,402</u>	<u>\$ 452,642</u>	<u>\$ 4,705,301</u>

See accompanying Notes to Financial Statements.

**REGIONAL SCHOOL DISTRICT NO. 13
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$	(1,204,443)
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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 capital outlay and depreciation expense are as follows for the current period:

Capital Outlay		2,319,047
Depreciation and Amortization Expense		(2,636,586)

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

Change in Deferred Outflows - OPEB		(193,703)
Change in Deferred Outflows - Pension		(151,767)
Intergovernmental Receivables		(137,128)

The issuance of long-term debt (e.g., bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Principal Payments on General Obligation Bonds		680,000
Principal Payments on Notes Payable		147,581
Lease Issuance		(515,110)
Principal Payments on Leases		863,237
Subscription - Based Information Technology Agreement Issuances		(11,362)
Principal Payments on Subscription Based Information Technology Arrangements		23,774

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Total OPEB Liability		2,372,426
Net Pension Liability		750,518
Accrued Interest Payable		8,335
Compensated Absences		(151,672)
Bond Premium		41,200
Change in Deferred Inflows - OPEB		(1,873,876)
Change in Deferred Inflows - Pension		(367,933)

Change in Net Position of Governmental Activities (Exhibit II)	\$	<u>(37,462)</u>
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See accompanying Notes to Financial Statements.

REGIONAL SCHOOL DISTRICT NO. 13
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Pension Trust Fund	Custodial Fund Middlesex Consortium
ASSETS		
Cash and Cash Equivalents	\$ 315,500	\$ 120,798
Accrued Interest Receivable	34,294	-
Investments, at Fair Value:		
Corporate Bonds	3,851,665	-
U.S. Government Obligations	16,873	-
Common Stocks	9,251,224	-
Mutual Funds	72,375	-
Preferred Stocks	17,654	-
Total Investments, at Fair Value	<u>13,209,791</u>	<u>-</u>
Total Assets	<u>13,559,585</u>	<u>120,798</u>
NET POSITION		
Restricted for Middlesex Consortium	-	120,798
Restricted for Pension	<u>13,559,585</u>	<u>-</u>
Total Net Position	<u><u>\$ 13,559,585</u></u>	<u><u>\$ 120,798</u></u>

See accompanying Notes to Financial Statements.

REGIONAL SCHOOL DISTRICT NO. 13
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Pension Trust Fund	Custodial Fund Middlesex Consortium
ADDITIONS		
Contributions:		
Employer	\$ 345,062	\$ -
Employee	199,998	-
Other	-	26,307
Total Contributions	545,060	26,307
Investment Income:		
Net Change in Fair Value of Investments	1,254,779	-
Interest and Dividends	242,181	-
Total Investment Income	1,496,960	-
Less: Investment Management Fees	1,179	-
Net Investment Income	1,495,781	-
Total Additions	2,040,841	26,307
DEDUCTIONS		
Benefits	858,362	-
Other	-	11,262
Total Deductions	858,362	11,262
CHANGE IN NET POSITION	1,182,479	15,045
Net Position - Beginning of Year	12,377,106	105,753
NET POSITION - END OF YEAR	<u>\$ 13,559,585</u>	<u>\$ 120,798</u>

See accompanying Notes to Financial Statements.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Regional School District No. 13 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the District are described below.

A. Reporting Entity

The District was organized under provisions of the Connecticut General Statutes in 1970 for the purpose of providing education for grades 1 through 12 to the residents of the towns of Durham and Middlefield, Connecticut. The District consists of three elementary schools, one middle school, and one high school.

The District is governed by a Regional Board of Education consisting of six members from Durham and four members from Middlefield. The members of the Board from Durham serve four-year terms and the members from Middlefield serve three-year terms. The Superintendent of Schools, selected by the Board of Education, manages the day-to-day affairs of the District and the schools of Durham and Middlefield.

The District's operating and debt service expenses are paid by the member towns in proportion to the number of attending pupils. The fiscal year 2025 assessment percentages are 67.31% for Durham and 32.69% for Middlefield.

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

Fiduciary Component Units

The District has established a single-employer retirement plan to provide retirement benefits to employees and their beneficiaries. The District performs the duties of a governing board for the Pension plan and is required to make contributions to the pension plan.

The financial statements of the fiduciary component unit is reported as a Pension Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component unit.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by member town assessments, intergovernmental revenues, and revenues from local sources.

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, lease liabilities, and subscription-based information technology arrangement (SBITA) liabilities, are recorded only when payment is due.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Member town assessments, expenditure reimbursement-type grants and certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items, including the state interest and bond subsidy grant, are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund

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

School Cafeteria Fund

The School Cafeteria Fund accounts for the revenues and expenditures associated with the school lunch program.

Special School Grants and Programs

The Special School Grants and Programs Fund accounts for the revenues and expenditures associated with the District's grant-related activity.

Capital Reserve Fund

The Capital Reserve Fund accounts for the revenues and expenditures relating to reserves for capital items.

Additionally, the District reports the following fund types:

The Pension Trust Fund

The Pension Trust Fund accounts for the fiduciary activities of the Regional School District No. 13 Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees.

The Middlesex Consortium Custodial Fund

The Middlesex Consortium accounts fiduciary activities related to various self-funding school activity programs.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements, except for any interfund services provided by one fund used by another fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Middlesex Consortium Custodial Fund (Continued)

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 as program revenues.

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

Deposits

The District considers cash equivalents as cash on hand, demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

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."

Investments

Investments are reported at fair value.

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.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

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

E. Receivables

Intergovernmental and member town assessment receivables are considered to be fully collectible, and no allowance has been recorded.

F. Interfund Activity

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

G. Inventories

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

H. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment and vehicles and \$20,000 for buildings and improvements, land and land improvements and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

Property, plant, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Buildings	45 to 50 Years
Building Improvements	45 to 50 Years
Land Improvements	10 to 40 Years
Vehicles	5 to 15 Years
Office Equipment	5 to 15 Years
Computer Equipment	5 to 7 Years

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The District reports 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 and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). Also, for governmental funds, the District reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from grants receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Unearned Revenues

Unearned revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when resources are received before the District has legal claim to them, as when grant monies are received prior to the issuance of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has legal claim to the resource, the unearned revenues is removed from the balance sheet, and revenue is recognized.

K. Compensated Absences

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

L. Net Pension Liability

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

M. Total Other Postemployment Benefits Other than Pensions (OPEB) Liability

The total OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year and no later than the end of the current fiscal year, consistently applied from period to period.

N. Long-Term Obligations

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Long-Term Obligations (Continued)

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

O. Fund Equity and Net Position

In the fund financial statements, fund balance is classified into the following categories:

Nonspendable Fund Balance – This category presents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance – This category presents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance – This category presents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Regional School District No. 13 Board of Education).

Assigned Fund Balance – This category presents amounts constrained for the intent to be used for a specific purpose by the Board of Education or the Business Manager who has been delegated authority to assign amounts by the District Charter.

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

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

Net Investment in Capital Assets – This category presents the net position that reflect capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for noncapital purposes is excluded.

Restricted Net Position – This category presents the net position restricted by external parties (creditors, grantors, contributors, or laws and regulations).

Unrestricted Net Position – This category presents the net position of the District that is not restricted.

**REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including disclosures of contingent assets and liabilities and reported revenues, expenses, and expenditures during the fiscal year.

Q. Adoption of New Accounting Standards

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement aims to achieve a unified model for recognition and measurement guidance for compensated absences. The District implemented GASB Statement No. 101 with its financial statements ending June 30, 2025. The implementation did not have a material impact on the District's financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

The District establishes its General Fund budget in accordance with provisions of the Connecticut General Statutes.

A budget for the General Fund is authorized annually by the Board of Education. The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- The citizens of the District vote on the recommended budget.
- All budget transfers must be approved by the Board of Education.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- All unencumbered appropriations of the General Fund lapse at year end.
- The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is at the total expenditure level for the General Fund.
- Additional appropriations may be made during the year by the Board of Education. An additional appropriation requires approval at a District meeting if it exceeds \$50,000 or is a second request. Additional appropriations of \$729,487 made during the year ended June 30, 2025.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those appropriated for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Budgets for Special Revenue and School Cafeteria Funds that are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies, and therefore are not legally adopted. In some instances, such budgets comprehend more than one fiscal year or a fiscal period that does not coincide with the District's fiscal year.

NOTE 3 DETAILED NOTES

A. Cash and Investments

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The District currently has an agreement with its primary banking institution to collateralize 100% of its deposits as part of a collateral pool. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the state of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the District and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$6,887,186 of the District's bank balance of \$7,181,850 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ -
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the District's Name	6,887,186
Total Amount Subject to Custodial Credit Risk	<u>\$ 6,887,186</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Cash Equivalents

At June 30, 2025, the District's cash equivalents amounted to \$315,500. The following table provides a summary of the District's cash equivalents (excluding U.S. Government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

Charles Schwab Money Market*	\$	146,582
Morgan Stanley*		168,918

*Not Rated

B. Investments

The investments in the Pension Fund are covered by the Securities Investor Protection Corporation (SIPC) up to \$500,000, including \$100,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as money market funds.

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

	Fair Value	Investment Maturities (Years)		
		Less Than 1	1 - 10	More Than 10
Interest-Bearing Investments:				
U.S. Government Securities	\$ 16,870	\$ 16,870	\$ -	\$ -
U.S. Government Agencies	3	-	-	3
Corporate Bonds	3,851,665	664,411	3,187,254	-
Total	3,868,538	<u>\$ 664,411</u>	<u>\$ 3,187,254</u>	<u>\$ 3</u>
Other Investments:				
Common Stock	9,251,224			
Preferred Stock	17,654			
Mutual Funds	72,375			
Total Investments	<u>\$ 13,209,791</u>			

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

B. Investments (Continued)

Presented below is the rating of investments for each debt investment type:

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies
Aaa	\$ -	\$ 16,870	\$ 3
Aa2	40,621	-	-
Aa3	66,025	-	-
A1	208,567	-	-
A2	508,955	-	-
A3	1,013,962	-	-
Baa1	1,032,313	-	-
Baa2	834,156	-	-
Baa3	113,097	-	-
Unrated	33,969	-	-
Total	<u>\$ 3,851,665</u>	<u>\$ 16,870</u>	<u>\$ 3</u>

In accordance with GASB Statement No. 72, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The District has the following recurring fair value measurements as of June 30, 2025:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Agencies	\$ 3	\$ -	\$ 3	\$ -
U.S. Government Securities	16,870	16,870	-	-
Corporate Bonds	3,851,664	3,851,664	-	-
Mutual Funds	72,375	72,375	-	-
Common Stock	9,251,225	9,251,225	-	-
Preferred Stock	17,654	17,654	-	-
Total Investments by Fair Value Level	<u>\$ 13,209,791</u>	<u>\$ 13,209,788</u>	<u>\$ 3</u>	<u>\$ -</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

B. Investments (Continued)

Interest Rate Risk

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

Credit Risk – Investments

The District has no formal investment policy that would limit its investment choices with respect to credit risk other than State Statutes governing investments in obligations of any state or political subdivision.

Concentration of Credit Risk

The District does not have a formalized investment policy that restricts the amount invested in any one issuer.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the District or that sells investments to or buys them for the District), the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 200,000	\$ -	\$ -	\$ 200,000
Construction in Progress	436,410	1,211,515	-	1,647,925
Total Capital Assets Not Being Depreciated	636,410	1,211,515	-	1,847,925
Capital Assets Being Depreciated:				
Buildings and Improvements	51,380,152	-	-	51,380,152
Land Improvements	7,840,349	516,848	-	8,357,197
Equipment	2,698,542	58,233	146,810	2,609,965
Vehicles	180,701	5,980	-	186,681
Total Capital Assets Being Depreciated	62,099,744	581,061	146,810	62,533,995
Less: Accumulated Depreciation for:				
Buildings	25,315,454	1,073,236	-	26,388,690
Land Improvements	3,901,619	342,250	-	4,243,869
Equipment	1,823,521	204,533	146,810	1,881,244
Vehicles	167,432	6,836	-	174,268
Total Accumulated Depreciation	31,208,026	1,626,855	146,810	32,688,071
Right-to-Use, Lease Asset				
Buildings	3,710,050	-	-	3,710,050
Equipment	970,189	380,345	-	1,350,534
Vehicles	2,314,517	134,764	-	2,449,281
Total Right-to-Use, Lease Asset	6,994,756	515,109	-	7,509,865
Less: Accumulated Amortization				
Buildings	710,435	236,812	-	947,247
Equipment	364,601	294,324	-	658,925
Vehicles	136,491	452,862	-	589,353
Total Accumulated Amortization	1,211,527	983,998	-	2,195,525
Subscription-Based Information Technology Arrangement Assets				
Subscription-Based Information Technology Arrangements	69,287	11,362	1,791	78,858
Less Accumulated Amortization:				
Subscription-Based Information Technology Arrangements	14,443	25,733	1,791	38,385
Total Capital Assets Being Depreciated/ Amortized, Net	36,729,791	(1,529,054)	-	35,200,737
Governmental Activities Capital Assets, Net	\$ 37,366,201	\$ (317,539)	\$ -	\$ 37,048,662

Depreciation and amortization expense was charged as follows:

Administration	\$ 524,590
Buildings	1,652,298
Transportation	459,698
Total	<u>\$ 2,636,586</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

D. Interfund Receivables, Payables, and Transfers

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund.

A summary of interfund transfers as of June 30, 2025 is as follows:

	Transfers In			Total
	General Fund	School Cafeteria Fund	Capital Reserve Fund	Transfers Out
Transfers Out:				
General Fund	\$ -	\$ 13,500	\$ 778,000	\$ 791,500
Capital Reserve Fund	729,487	-	-	729,487
Total Transfers In	<u>\$ 729,487</u>	<u>\$ 13,500</u>	<u>\$ 778,000</u>	<u>\$ 1,520,987</u>

Transfers are used to account for the financing by the General Fund of various programs and activities in other funds.

E. Changes in Long-Term Obligations

Summary of Changes

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

	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Beginning Balance, As Adjusted*	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:									
Bonds Payable:									
Improvement Bond		7/15/09	7/15/24	2.50-4.50	\$ 330,000	\$ -	\$ 330,000	\$ -	\$ -
Improvement Bond		5/11/22	5/15/42	4.00-5.00	6,550,000	-	350,000	6,200,000	360,000
Subtotal					6,880,000	-	680,000	6,200,000	360,000
Plus Deferred Amounts:									
Bond Premium					373,518	-	41,200	332,318	-
Total Bonds Payable					7,253,518	-	721,200	6,532,318	360,000
Notes Payable					215,537	-	147,581	67,956	67,956
Lease Liability					5,986,351	515,110	863,237	5,638,224	875,511
Subscription Based Information Technology Arrangement Liability					46,457	11,362	23,774	34,045	20,075
Compensated Absences					98,009	151,672	-	249,681	148,523
Net Pension Liability					1,041,629	368,550	1,119,068	291,111	-
Total OPEB Liability					4,580,104	221,713	2,594,139	2,207,678	304,655
Total Governmental Activities									
Long-Term Liabilities					<u>\$ 19,221,605</u>	<u>\$ 1,268,407</u>	<u>\$ 5,468,999</u>	<u>\$ 15,021,013</u>	<u>\$ 1,776,720</u>

All long-term liabilities are generally liquidated by the General Fund with the exception of the bonds payable which were liquidated in both the General Fund and the Capital Reserve Fund.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Summary of Changes (Continued)

The annual requirements to amortize all bonds payable as of June 30, 2025 and the amounts to be provided by the state of Connecticut for the retirement of school bonds and of debt principal and interest maturities are as follows:

<u>Year Ending June 30,</u>	<u>Bond Principal</u>	<u>Bond Interest</u>
2026	\$ 360,000	\$ 266,200
2027	365,000	248,200
2028	365,000	229,950
2029	365,000	211,700
2030	365,000	193,450
2031-2035	1,825,000	730,000
2036-2040	1,825,000	365,000
2041-2042	730,000	43,800
Total	<u>\$ 6,200,000</u>	<u>\$ 2,288,300</u>

Lease Liability

The District leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2040.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Lease Principal</u>	<u>Lease Interest</u>
2026	\$ 875,511	\$ 188,672
2027	870,256	149,887
2028	846,573	110,791
2029	784,695	72,948
2030	271,815	45,942
2031-2035	1,464,254	136,606
2036-2040	525,120	9,100
Total	<u>\$ 5,638,224</u>	<u>\$ 713,946</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

Equipment	\$ 1,350,534
Buildings	3,710,050
Vehicles	2,449,281
Less: Accumulated Amortization	(2,195,525)
Total	<u>\$ 5,314,340</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

E. Changes in Long-Term Obligations (Continued)

Notes Payable – Direct Placement

The District has financing agreements for various technology equipment. These agreements vary in duration through June 30, 2026, with interest rates ranging from 0% to 4.47%. The notes payable are secured by the underlying equipment.

The following is a schedule of future payments as of June 30, 2025:

<u>Year Ending June 30,</u>	<u>Note Principal</u>	<u>Note Interest</u>
2026	\$ 67,956	\$ 2,130
Total	<u>\$ 67,956</u>	<u>\$ 2,130</u>

Subscription-Based Information Technology Arrangements

The District has entered into subscription-based information technology arrangements (SBITA) for educational software. The SBITAs expire at various dates through 2029 and provide for renewal options.

Total future minimum payments under these agreements are as follows:

<u>Year Ending June 30,</u>	<u>SBITA Principal</u>	<u>SBITA Interest</u>
2026	\$ 20,075	\$ 657
2027	13,672	219
2028	294	1
2029	4	-
Total	<u>\$ 34,045</u>	<u>\$ 877</u>

SBITA assets acquired through outstanding contracts are shown below:

Subscription Based Information Technology Arrangements	\$ 78,858
Less: Accumulated Amortization	(38,385)
Total	<u>\$ 40,473</u>

Statutory Debt Limitations

The District's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes. The statutes allow for debt up to 4.5 times the annual receipts of taxation of the member towns. The District's debt limitation is as follows:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
Schools	<u>\$ 189,698,279</u>	<u>\$ 11,940,225</u>	<u>\$ 177,758,054</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 DETAILED NOTES (CONTINUED)

F. Fund Balance

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

	General Fund	School Cafeteria Fund	Special School Grants and Program	Capital Reserve Fund	Nonmajor Governmental Funds	Total
Fund Balances:						
Nonspendable:						
Inventory	\$ -	\$ 22,053	\$ -	\$ -	\$ -	\$ 22,053
Restricted for:						
Student Activities	-	-	-	-	354,518	354,518
Special School Grants and Programs	-	-	5,815	-	-	5,815
School Lunch Program	-	167,659	-	-	-	167,659
Capital Projects				2,064,090		2,064,090
Committed to:						
Middlesex Transition Academy	-	-	-	-	98,124	98,124
Assigned to:						
Capital Improvements/ Equipment	-	-	-	1,628,312	-	1,628,312
Unassigned	364,730	-	-	-	-	364,730
Total Fund Balances	<u>\$ 364,730</u>	<u>\$ 189,712</u>	<u>\$ 5,815</u>	<u>\$ 3,692,402</u>	<u>\$ 452,642</u>	<u>\$ 4,705,301</u>

Significant encumbrances of \$2,959,562 are included in the Capital Reserve fund as of June 30, 2025.

NOTE 4 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to or destruction of assets; errors or omissions; injuries to employees; or natural disasters.

The District purchases commercial insurance for all risks of loss, including workers' compensation, blanket, and umbrella policies.

Settled claims have not exceeded commercial coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS

Regional School District No. 13 Employee Retirement Plan

A. Plan Description and Benefits Provided

The District is the administrator of a single-employer pension employee retirement system (PERS) established and administered by the District to provide pension benefits for its employees. The Pension Committee, consisting of employees from the District as well as community members, makes recommendations for plan provisions. The recommendations are then approved by the Board of Education. The PERS is considered to be part of the District's financial reporting entity and is included in the District's financial statements as a pension trust fund.

Investment management of the plan rests with the Board of Education, which consists of 10 members. Administration of the plan rests with a five-member committee appointed by the Board of Education.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The pension trust fund's financial statements are prepared using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned, and expenses (benefits) are recognized when they are due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are valued at fair value based upon quoted market prices.

C. Classes of Employees Covered

As of July 1, 2023, the date of the last actuarial valuation, the plan's membership consisted of the following:

Retirees, Disabled, and Beneficiaries Currently	
Receiving Benefits	\$ 54
Terminated Employees Entitled to Benefits but Not	
Yet Receiving Them	22
Current Plan Members	69
Total	<u>\$ 145</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Regional School District No. 13 Employee Retirement Plan (Continued)

C. Classes of Employees Covered (Continued)

Benefit Provisions

The plan covers substantially all regularly employed, permanent noncertified employees of the District. In order to be eligible for the plan, the employee must complete 1 year of service, work 1,000 hours in a year and attain a minimum age of 21.

The death benefit for the plan is the present value of accrued benefits.

Participants are vested after 10 years of service.

Contributions

Contribution requirements of the plan members and the District are established and may be amended by the Board of Education. Plan members are required to contribute 5% of their earnings to the plan. The District is required to contribute at an actuarially determined rate. The District's contribution for the year ended June 30, 2025 represented 9.71% of covered payroll. Administrative costs of the plan are financed through investment earnings of the plan's assets.

D. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Education by a majority vote of its members. It is the policy of the Board of Education to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2025:

<u>Asset Class</u>	<u>Target Allocation</u>
Large Cap Core Equity	30.00%
Mid Cap Core Equity	7.50
Small Cap Core Equity	7.50
International Equity	10.00
Emerging Market Equity	5.00
US Fixed Income Taxable	25.00
Short Duration Investment Grade Taxable Fixed Income	15.00
Total	<u>100.00%</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Regional School District No. 13 Employee Retirement Plan (Continued)

D. Investments (Continued)

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.23%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Asset of the District

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

Total Pension Liability	\$ 13,850,696
Plan Fiduciary Net Position	13,559,585
District's Net Pension Liability	<u>\$ 291,111</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.90%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2023, rolled forward to June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.30%
Investment Rate of Return	6.75%

Mortality rates were based on the Pub-2010 Public Retirement Plans Amount-Weighted Mortality Table projected to the valuation date with Scale MP-2021.

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Regional School District No. 13 Employee Retirement Plan (Continued)

E. Net Pension Asset of the District (Continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Core Equity	5.00%
Mid Cap Core Equity	5.30
Small Cap Core Equity	5.30
International Equity	6.40
Emerging Market Equity	7.70
US Fixed Income Taxable	2.30
Short Duration Investment Grade Taxable Fixed income	0.05

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 local pension liability.

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)-(b)</u>
Balances as of July 1, 2024	\$ 13,418,735	\$ 12,377,106	\$ 1,041,629
Changes for the Year:			
Service Cost	386,937	-	386,937
Interest on Total Pension Liability	903,386	-	903,386
Differences Between Expected and Actual Experience	-	-	-
Changes in Assumptions	-	-	-
Employer Contributions	-	345,062	(345,062)
Member Contributions	-	199,998	(199,998)
Net Investment Income	-	1,496,960	(1,496,960)
Benefit Payments, Including Refund to Employee Contributions	(858,362)	(858,362)	-
Administrative Expenses	-	(1,179)	1,179
Net Changes	431,961	1,182,479	(750,518)
Balances as of June 30, 2025	<u>\$ 13,850,696</u>	<u>\$ 13,559,585</u>	<u>\$ 291,111</u>

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

The following presents the net pension liability of the District, calculated using the discount rate of 6.75%, as well as what the District's 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:

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Regional School District No. 13 Employee Retirement Plan (Continued)

E. Net Pension Asset of the District (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued)

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Total Net Pension Liability (Asset)	<u>\$ 1,700,598</u>	<u>\$ 291,111</u>	<u>\$ (911,541)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the District recognized pension expense of \$114,244. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Employees' Pension Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 70,055	\$ (136,386)
Changes of Assumptions	146,017	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	(453,976)
Total	<u>\$ 216,072</u>	<u>\$ (590,362)</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 199,996
2027	(230,417)
2028	(209,480)
2029	(134,389)
2030	-
Total	<u>\$ (374,290)</u>

Connecticut Teachers Retirement System – Pension

A. Plan Description

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the state was \$5,506,124 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

C. Contributions (Continued)

Employees

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

January 1, 2018, each teacher is required to contribute 7% of salary for the pension benefit.

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

At June 30, 2025, the District reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability	
Associated with the District	55,861,006
Total	<u>\$ 55,861,006</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. At June 30, 2025, the District has no proportionate share of the net pension liability.

For the year ended June 30, 2025, the District recognized pension expense and revenue of \$901,253 in Exhibit II.

E. 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 Increase	3.00-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

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

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

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

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

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

Long-Term Rate of Return

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Long-Term Rate of Return (Continued)

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

F. Discount Rate

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

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

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

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

**REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

I. Other Information

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

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS

Retiree Health Plan

A. Plan Description

The Region 13 Retiree Health Plan (RHP) is a single-employer defined benefit healthcare plan administered by the District. The RHP provides medical and life insurance benefits to eligible retirees and their spouses. All employees of the District are eligible to participate in the plan. Benefit provisions are established through negotiations between the District and the various unions representing the employees.

The District currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2025, the District has not established a trust fund to irrevocably segregate assets to fund liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. Administration costs are financed from current operations.

B. Funding Policy

The contribution requirements of plan members and the District are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums as follows:

Retirees Pre 65

Teachers and administrators pay 100% of active premium. Superintendent pays 5% of active premium. Business assistant to superintendent pays 20% of active premium. Board of Education employees pay 100% of active premium. The active premium for the year ended June 30, 2025 was as follows:

	<u>Employee</u>	<u>Spouse</u>
2024 CT State Partnership Plan 2.0:		
Pre-65 Medical Costs, Including Prescription Drugs	\$ 16,867	\$ 36,144
Post-65 Medical Costs, Including Prescription Drugs (Non-Medicare Eligibility)	29,844	64,926
Retiree Contribution Rates:		
BOE Certified	14,426	30,576
BOE Non-Certified	14,097	29,879

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

Retiree Health Plan (Continued)

C. Employees Covered by Benefit Terms

Retirees Post 65

Teachers and administrators may continue their coverage post 65 if they are eligible for Medicare. The superintendent receives TRB Medicare supplemental coverage between the ages of 65 and 75. All others are not covered post 65.

Membership in the plan consisted of the following at July 1, 2024, the date of the last actuarial valuation.

Inactive Employees Currently Receiving Benefit Payments	13
Active Employees	309
Total	<u><u>322</u></u>

D. Total OPEB Liability

The District's total OPEB liability of \$2,207,678 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions and Other Inputs

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

Inflation	2.40%
Salary Increases	2.40%, Average, Including Inflation
Discount Rate	5.20%
Healthcare Cost Trend Rates	7.00% for 2024, decreasing 0.2% per year to an Ultimate Rate of 4.40% for 2037 and Later Years
Retirees' Share of Benefit-Related Costs	Varies Based on Union

The discount rate was based on the published Bond Buyer GO 20-Bond Municipal Index effective as of June 30, 2025.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables for general employees, with separate tables for nonannuitants and annuitants, projected to the valuation date with Scale MP-2021.

The actuarial assumptions used in the July 1, 2024, valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the plan sponsor. The plan does not have credible data on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

Retiree Health Plan (Continued)

E. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance - July 1, 2024	\$ 4,580,104
Changes for the Year:	
Service Cost	45,324
Interest on Total OPEB Liability	176,389
Difference Between Expected and Actual Experience	(2,218,427)
Changes in Assumptions or Other Inputs	(98,753)
Benefit Payments	(276,959)
Net Changes	(2,372,426)
Balance - June 30, 2025	<u>\$ 2,207,678</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% in 2024 to 5.2% in 2025.

F. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	<u>\$ 2,414,422</u>	<u>\$ 2,207,678</u>	<u>\$ 2,025,170</u>

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

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

	1% Decrease (6.00% Decreasing to 3.40%)	Healthcare Cost Trend Rates (7.00% Decreasing to 4.40%)	1% Increase (8.00% Decreasing to 5.40%)
Total OPEB Liability	<u>\$ 1,992,754</u>	<u>\$ 2,207,678</u>	<u>\$ 2,455,021</u>

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

Retiree Health Plan (Continued)

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$77,535. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 907,745	\$ (3,009,378)
Changes of Assumptions	518,106	(1,224,152)
Total	<u>\$ 1,425,851</u>	<u>\$ (4,233,530)</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ (249,501)
2027	(249,501)
2028	(249,501)
2029	(249,501)
2030	(203,811)
Thereafter	(1,605,864)
Total	<u>\$ (2,807,679)</u>

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan

A. Plan Description

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

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan
(Continued)**

B. Benefit Provisions

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

Any member who is not currently participating in Medicare Parts A and B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

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

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

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan
(Continued)**

B. Benefit Provisions (Continued)

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

C. Contributions

State of Connecticut

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

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan
(Continued)

C. Contributions (Continued)

Employer (School Districts)

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the state was \$77,091 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

At June 30, 2025, the District reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the District was as follows:

District's Proportionate Share of the Net OPEB Liability	\$ -
State's Proportionate Share of the Net OPEB Liability	
Associated with the District	11,459,013
Total	<u>\$ 11,459,013</u>

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

For the year ended June 30, 2025, the District recognized OPEB expense and revenue of \$81,681 in Exhibit II.

**REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan
(Continued)**

E. Actuarial Assumptions

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

Inflation	2.50%
Health Care Costs Trend Rate	Local Coverage - 6.25% for 2023, decreasing to an ultimate rate of 4.50% by 2041. Retiree Healthcare - Medicare rates known for 2025, 4.50% increase for all subsequent years
Salary Increases	3.00-6.50%, Including Inflation
Investment Rate of Return	3.00%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position will be Depleted	2027

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

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 3.64% to 3.93%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change;
- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

**REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan
(Continued)**

E. Actuarial Assumptions (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is 1.36%.

F. Discount Rate

The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2024.

In addition to the actuarial methods and assumptions of the June 30, 2024, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

REGIONAL SCHOOL DISTRICT NO. 13
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan
(Continued)**

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

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

H. OPEB Plan Fiduciary Net Position

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at www.ct.gov.

I. Other Information

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

NOTE 7 CONTINGENT LIABILITIES

There are various lawsuits and claims pending against the District, the ultimate effect of which, if any, cannot presently be determined; however, the ultimate resolution of these matters is not expected to have a material adverse effect on the financial condition of the District.

State and federal grants received by the District are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditures disallowed under terms of the grant. The amount, if any, of expenditures that may be disallowed cannot be determined at this time, although the District's management believes such disallowance, if any, will be immaterial.

The District may owe rebate payments to the federal government of arbitrage earnings (if there were any) on investment of the proceeds of certain borrowings, or a penalty in lieu of rebate, unless an exemption applies. The District would have to provide the factual information to determine whether there were any arbitrage earnings and whether it qualified for an exemption from rebate (or from a penalty in lieu of rebate).

REQUIRED SUPPLEMENTARY INFORMATION

REGIONAL SCHOOL DISTRICT NO. 13
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Assessments from District Member Towns	\$ 39,297,814	\$ 39,297,814	\$ 39,297,812	\$ (2)
Local Sources:				
Investment Income	40,000	40,000	46,273	6,273
Intergovernmental:				
Miscellaneous State Grants	813,440	813,440	758,330	(55,110)
Adult Education	11,500	11,500	15,232	3,732
Total Intergovernmental	824,940	824,940	773,562	(51,378)
Charges for Services:				
Buildings/Grounds Rentals	40,000	40,000	41,189	1,189
Tuition	30,000	30,000	24,978	(5,022)
Total Charges for Services	70,000	70,000	66,167	(3,833)
Other Revenue:				
Miscellaneous	49,250	49,250	53,763	4,513
Total Revenues	40,282,004	40,282,004	40,237,577	(44,427)
Other Financing Sources:				
Transfer from Capital Reserve	-	729,487	729,487	-
Appropriation of Fund Balance	597,191	597,191	-	(597,191)
Total Other Financing Sources	597,191	1,326,678	729,487	(597,191)
Total Revenues and Other Financing Sources	<u>\$ 40,879,195</u>	<u>\$ 41,608,682</u>	40,967,064	<u>\$ (641,618)</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut pension on-behalf payments related to the Connecticut State Teachers' Retirement System for District teachers are not budgeted.			5,506,124	
State of Connecticut OPEB on-behalf payments related to the Connecticut State Teachers' Retirement System for District teachers are not budgeted.			77,091	
Issuance of Lease			515,109	
Issuance of Subscription Based Information Technology Agreement			11,362	
Cancellation of Prior Year Encumbrances			22,223	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 47,098,973</u>	

REGIONAL SCHOOL DISTRICT NO. 13
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
Salaries:				
Certified Personnel	\$ 17,884,682	\$ 17,884,682	\$ 18,385,113	\$ (500,431)
Support Personnel	5,183,661	5,183,661	5,324,895	(141,234)
Total Salaries	23,068,343	23,068,343	23,710,008	(641,665)
Employee Benefits:				
Employee Benefits	6,719,031	6,719,031	6,712,048	6,983
Purchased Services:				
Education	492,182	492,182	323,454	168,728
Conferences	96,744	96,744	54,202	42,542
Professional	472,116	472,116	489,802	(17,686)
Technical	382,570	382,570	314,250	68,320
Total Purchased Services	1,443,612	1,443,612	1,181,708	261,904
Property Services:				
Water Service	11,500	11,500	9,658	1,842
Disposal Services	43,712	43,712	37,740	5,972
Snow Removal	73,400	73,400	21,998	51,402
Lawn Care	142,667	142,667	122,344	20,323
Repairs and Maintenance	244,834	244,834	59,781	185,053
Rent and Leases	1,193,968	1,193,968	1,164,831	29,137
Total Property Services	1,710,081	1,710,081	1,416,352	293,729
Operational Services:				
Pupil Transportation	2,094,380	2,094,380	2,381,722	(287,342)
Field Trips/Athletics	124,930	124,930	135,376	(10,446)
Liability Insurance	281,742	281,742	232,512	49,230
Dues and Fees	57,869	57,869	61,207	(3,338)
Communication	146,635	146,635	135,752	10,883
Advertising	2,500	2,500	1,040	1,460
Printing	68,040	68,040	60,814	7,226
Tuition	1,858,299	1,858,299	2,051,062	(192,763)
Travel	18,385	18,385	11,053	7,332
Total Operational Services	4,652,780	4,652,780	5,070,538	(417,758)
Supplies:				
Supplies	491,936	491,936	400,770	91,166
Books/Resource Materials	114,582	114,582	119,940	(5,358)
Natural Gas	119,000	119,000	73,072	45,928
Electricity	470,000	470,000	490,039	(20,039)
Bottled Gas	5,963	5,963	3,593	2,370
Heating Oil	115,620	115,620	102,403	13,217
Gasoline and Oil Vehicles	33,400	33,400	40,162	(6,762)
Total Supplies	1,350,501	1,350,501	1,229,979	120,522
Capital Improvements/Equipment:				
Transfer to Capital Reserve Fund	778,000	778,000	778,000	-
Equipment	530,647	530,647	508,683	21,964
Total Capital Improvements/Equipment	1,308,647	1,308,647	1,286,683	21,964

REGIONAL SCHOOL DISTRICT NO. 13
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL BUDGETARY BASIS (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Debt Service:				
Principal	\$ 335,694	\$ 335,694	\$ -	\$ 335,694
Interest	290,506	290,506	-	290,506
Total Debt Service	<u>626,200</u>	<u>626,200</u>	<u>-</u>	<u>626,200</u>
 Total Expenditures	<u>\$ 40,879,195</u>	<u>\$ 40,879,195</u>	40,607,316	<u>\$ 271,879</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut pension on-behalf payments related to the Connecticut State Teachers' Retirement System for District teachers are not budgeted.			5,506,124	
State of Connecticut OPEB on-behalf payments related to the Connecticut State Teachers' Retirement System for District teachers are not budgeted.			77,091	
Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year are reported for financial statement reporting purposes.			144,667	
Capital Outlay Related to Leases			515,109	
Capital Outlay Related to Subscription Based Information Technology Agreements			<u>11,362</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 46,861,669</u>	

REGIONAL SCHOOL DISTRICT NO. 13
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
DISTRICT'S RETIREMENT PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	\$ 386,937	\$ 391,522	\$ 379,749	\$ 375,502	\$ 362,804	\$ 341,419	\$ 329,873	\$ 371,087	\$ 362,003	\$ 367,442
Interest	903,386	870,890	829,540	768,892	740,943	718,714	680,726	735,283	672,025	623,204
Differences Between Expected and Actual Experience	-	(233,806)	-	324,799	-	(9,281)	-	(604,656)	-	(104,288)
Changes of Assumptions	-	204,720	-	123,305	-	198,394	-	(92,315)	-	356,383
Benefit Payments, Including Refunds of Member Contributions	(858,362)	(639,839)	(578,099)	(814,578)	(593,767)	(529,070)	(431,502)	(462,049)	(430,351)	(253,084)
Net Change in Total Pension Liability	431,961	593,487	631,190	777,920	509,980	720,176	579,097	(52,650)	603,677	989,657
Total Pension Liability - Beginning	13,418,735	12,825,248	12,194,058	11,416,138	10,906,158	10,185,982	9,606,885	9,659,535	9,055,858	8,066,201
Total Pension Liability - Ending	13,850,696	13,418,735	12,825,248	12,194,058	11,416,138	10,906,158	10,185,982	9,606,885	9,659,535	9,055,858
Plan Fiduciary Net Position:										
Contributions - Employer	345,062	342,252	335,145	314,916	307,673	253,071	246,932	335,575	326,520	330,684
Contributions - Member	199,998	194,686	181,453	172,171	184,053	184,269	168,036	158,650	160,535	179,303
Net Investment Income	1,495,781	1,113,870	853,188	(967,569)	2,497,443	288,312	779,037	321,014	586,996	223,087
Benefit Payments, Including Refunds of Member Contributions	(858,362)	(639,839)	(578,099)	(814,578)	(593,767)	(529,070)	(431,502)	(462,049)	(430,351)	(253,084)
Net Change in Plan Fiduciary Net Position	1,182,479	1,010,969	791,687	(1,295,060)	2,395,402	196,582	762,503	353,190	643,700	479,990
Plan Fiduciary Net Position - Beginning	12,377,106	11,366,137	10,574,450	11,869,510	9,474,108	9,277,526	8,515,023	8,161,833	7,518,133	7,038,143
Plan Fiduciary Net Position - Ending	13,559,585	12,377,106	11,366,137	10,574,450	11,869,510	9,474,108	9,277,526	8,515,023	8,161,833	7,518,133
Net Pension Liability (Asset) - Ending	<u>\$ 291,111</u>	<u>\$ 1,041,629</u>	<u>\$ 1,459,111</u>	<u>\$ 1,619,608</u>	<u>\$ (453,372)</u>	<u>\$ 1,432,050</u>	<u>\$ 908,456</u>	<u>\$ 1,091,862</u>	<u>\$ 1,497,702</u>	<u>\$ 1,537,725</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.90%	92.24%	88.62%	86.72%	103.97%	86.87%	91.08%	88.63%	84.50%	83.02%
Covered Payroll	\$ 3,555,353	\$ 3,441,774	\$ 3,613,593	\$ 3,491,394	\$ 3,526,881	\$ 3,407,614	\$ 3,258,483	\$ 3,148,293	\$ 3,359,920	\$ 3,215,234
Net Pension Liability as a Percentage of Covered Payroll	8.19%	30.26%	40.38%	46.39%	-12.85%	42.03%	27.88%	34.68%	44.58%	47.83%

**REGIONAL SCHOOL DISTRICT NO. 13
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DISTRICT'S RETIREMENT PLAN
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 345,062	\$ 342,252	\$ 335,145	\$ 314,916	\$ 307,673	\$ 253,071	\$ 246,932	\$ 335,575	\$ 326,520	\$ 330,684
Contributions in Relation to the Actuarially Determined Contribution	<u>345,062</u>	<u>342,252</u>	<u>335,145</u>	<u>314,916</u>	<u>307,673</u>	<u>253,071</u>	<u>246,932</u>	<u>335,575</u>	<u>326,520</u>	<u>330,684</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,555,353	\$ 3,441,774	\$ 3,613,593	\$ 3,491,394	\$ 3,526,881	\$ 3,407,614	\$ 3,258,483	\$ 3,148,293	\$ 3,359,920	\$ 3,215,234
Contributions as a Percentage of Covered Payroll	9.71%	9.94%	9.27%	9.02%	8.72%	7.43%	7.58%	10.66%	9.72%	10.28%

Notes to Schedule

Valuation Date: July 1, 2023

Measurement Date: June 30, 2025

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20 years
Asset Valuation Method	Expected asset value plus 20% of the difference between the Expected Value and the Market Value.
Inflation	2.4%
Salary Increases	3.3%
Investment Rate of Return	6.75%

**REGIONAL SCHOOL DISTRICT NO. 13
SCHEDULE OF INVESTMENT RETURNS
DISTRICT'S RETIREMENT PLAN
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	12.23%	9.80%	8.05%	-8.24%	26.25%	3.11%	9.11%	3.93%	7.98%	3.28%

REGIONAL SCHOOL DISTRICT NO. 13
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the District	55,861,006	61,743,454	67,858,382	56,694,275	71,582,915	64,080,249	49,409,595	51,386,371	54,213,015	41,754,112
Total	<u>\$ 55,861,006</u>	<u>\$ 61,743,454</u>	<u>\$ 67,858,382</u>	<u>\$ 56,694,275</u>	<u>\$ 71,582,915</u>	<u>\$ 64,080,249</u>	<u>\$ 49,409,595</u>	<u>\$ 51,386,371</u>	<u>\$ 54,213,015</u>	<u>\$ 41,754,112</u>
District's Covered Payroll	\$ 17,917,532	\$ 17,028,587	\$ 16,808,120	\$ 17,160,060	\$ 16,786,302	\$ 16,227,631	\$ 15,901,048	\$ 15,455,931	\$ 15,756,461	\$ 15,322,385
District'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%	52.69%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%

REGIONAL SCHOOL DISTRICT NO. 13
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
RETIREE HEALTH PLAN
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:								
Service Cost	\$ 45,324	\$ 45,690	\$ 67,785	\$ 84,828	\$ 127,805	\$ 95,735	\$ 173,987	\$ 172,599
Interest	176,389	170,972	133,562	96,786	128,758	167,477	203,898	187,833
Differences Between Expected and Actual Experience	(2,218,427)	15,039	889,836	22,609	(1,469,726)	(1,426)	441,957	15,766
Changes of Assumptions and Other Inputs	(98,753)	(143,259)	100,459	(717,464)	36,572	893,270	(1,081,623)	(196,608)
Benefit Payments	(276,959)	(291,004)	(226,256)	(130,298)	(121,226)	(143,033)	(170,973)	(147,436)
Net Change in Total OPEB Liability	(2,372,426)	(202,562)	965,386	(643,539)	(1,297,817)	1,012,023	(432,754)	32,154
Total OPEB Liability - Beginning	4,580,104	4,782,666	3,817,280	4,460,819	5,758,636	4,746,613	5,179,367	5,147,213
Total OPEB Liability - Ending	<u>\$ 2,207,678</u>	<u>\$ 4,580,104</u>	<u>\$ 4,782,666</u>	<u>\$ 3,817,280</u>	<u>\$ 4,460,819</u>	<u>\$ 5,758,636</u>	<u>\$ 4,746,613</u>	<u>\$ 5,179,367</u>
Covered Employee Payroll	\$ 22,572,017	\$ 22,264,375	\$ 21,742,554	\$ 21,846,670	\$ 21,334,639	\$ 19,472,465	\$ 18,979,011	\$ 21,299,064
Total OPEB Liability as a Percentage of Covered Employee Payroll	9.78%	20.57%	22.00%	17.47%	20.91%	29.57%	25.01%	24.32%

Note - There are no assets accumulated in a trust to pay benefits for the OPEB plan.

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

REGIONAL SCHOOL DISTRICT NO. 13
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
District's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the District	11,459,013	5,784,514	5,942,838	6,176,737	10,676,594	9,993,677	9,877,274	13,226,256
Total	<u>\$ 11,459,013</u>	<u>\$ 5,784,514</u>	<u>\$ 5,942,838</u>	<u>\$ 6,176,737</u>	<u>\$ 10,676,594</u>	<u>\$ 9,993,677</u>	<u>\$ 9,877,274</u>	<u>\$ 13,226,256</u>
District's Covered Payroll	\$ 17,917,532	\$ 17,028,587	\$ 16,808,120	\$ 17,160,060	\$ 16,786,302	\$ 16,227,631	\$ 15,901,048	\$ 15,455,931
District'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%	1.79%

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date

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

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 District 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 substantially in the following form:

Regional School District Number 13
135A Pickett Lane
Durham, Connecticut 06422

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Regional School District Number 13 of the State of Connecticut (the "District") of its \$8,100,000 General Obligation Bonds, Issue of 2026, dated October 21, 2026, maturing October 15, 2028-2046 (the "Bonds").

In connection with our representation of the District as bond counsel with respect to the Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the District, each dated as of October 21, 2026, the executed Bonds and certified records of proceedings of the District 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 District and its member towns of Durham and Middlefield, 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 each member town of the District 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 District and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the District.

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 District 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 District 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 District 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 related 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 District’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 not** be designated by the District 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 proposed or enacted 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 price of the Bonds (the “OID Bonds”) may be less than the stated principal amount. Under existing law, the difference between the stated principal amount and the initial offering price of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds is sold will constitute original issue discount (“OID”). The offering price relating to the yield set forth on the cover page of this Official Statement for the OID Bonds is expected to be the initial offering price to the public at which a substantial amount 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 price of the Bonds (the “OIP Bonds”) may be more than the stated principal amount. 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 OIP 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 LEGAL OPINION OF BOND COUNSEL AND TAX EXEMPTION FOR THE NOTES

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

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

Regional School District Number 13
135A Pickett Lane
Durham, Connecticut 06422

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Regional School District Number 13 of the State of Connecticut (the "District") of its \$24,000,000 General Obligation Bond Anticipation Notes, dated October 21, 2026, maturing October 20, 2027 (the "Notes").

In connection with our representation of the District as bond counsel with respect to the Notes, we have examined the executed Tax Certificate and Tax Compliance Agreement of the District, each dated as of October 21, 2026, the executed Notes and certified records of proceedings of the District authorizing the Notes. 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 Notes under the authority of the constitution and statutes of the State of Connecticut, and that the Notes are valid and binding general obligations of the District and each of its member towns of Durham and Middlefield, 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 each member town of the District 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 District and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the District.

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 Notes if interest on the Notes is to be excludable from gross income under Section 103 of the Code. The District 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 Notes 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 Notes 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 Notes. In rendering the foregoing opinions regarding the federal income tax treatment of interest on the Notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the District 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 District to fully comply with the covenants set forth therein, may cause interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

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

The rights of the holders of the Notes and the enforceability of the Notes 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 related to the Notes.

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 Notes under existing statutes. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of the Notes. Prospective owners of the Notes, 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 Notes.

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 Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes.

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 Notes. 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 Notes would be impacted thereby.

Purchasers of the Notes 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 Notes, 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 District’s Tax Compliance Agreement will contain certain representations and covenants to ensure that the Notes are not “private activity bonds” so that interest on the Notes 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 Notes shall be designated by the District 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 proposed or enacted after the date of issuance of the Notes will not have an adverse effect on the tax exempt status or the market price of the Notes.

Other. Ownership of the Notes 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 Notes, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

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

Owners of the Notes should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Notes and the disposition thereof, including the extent to which gains and losses from the sale or exchange of Notes 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 price of the Notes (the “OID Notes”) may be less than the stated principal amount. Under existing law, the difference between the stated principal amount and the initial offering price of the OID Notes to the public (excluding bond houses and brokers) at which a substantial amount of the OID Notes is sold will constitute original issue discount (“OID”). The offering price relating to the yield set forth in this Official Statement for the OID Notes is expected to be the initial offering price to the public at which a substantial amount of the OID Notes are sold. Under existing law, OID on the Notes 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 Notes 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 Note, OID treated as having accrued while the owner holds the OID Note 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 Note.

Prospective purchasers of OID Notes 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 Notes purchasing such Notes after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Notes.

ORIGINAL ISSUE PREMIUM.

The initial public offering price of the Notes (the “OIP Notes”) may be more than the stated principal amount. An owner who purchases a Note 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 Note for federal income tax purposes. Prospective purchasers of OIP Notes 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 Notes, including any tax consequences arising under the laws of any state or other taxing jurisdiction.

APPENDIX D - FORM OF CONTINUING DISCLOSURE AGREEMENT FOR THE BONDS

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the District 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 District 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 21st day of October, 2026 by Regional School District Number 13, Connecticut (the "District") acting by its undersigned officers, duly authorized, in connection with the issuance of the District's \$8,100,000 General Obligation Bonds, Issue of 2026 (the "Bonds") dated October 21, 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 District 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 District, which financial statements include the District'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 District 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 of each of the District's member towns applicable to the fiscal year,
- B. listing of the ten largest taxpayers on the applicable grand list of each of the District's member towns, together with each such taxpayer's taxable valuation thereon,
- C. percentage of the annual property tax levy of each of the District's member towns uncollected as of the close of the preceding fiscal year,
- D. schedule of annual debt service on outstanding long-term bonded indebtedness of the District and of each of the District's member towns as of the close of the fiscal year,
- E. calculation of total direct debt and total direct net debt of the District and of each of the District's member towns as of the close of the fiscal year,

- F. total direct debt and total direct net debt of the District and of each of the District's member towns per capita,
- G. ratios of the total direct debt and total direct net debt of the District and of each of the District's member towns to the applicable net taxable grand list,
- H. statement of statutory debt limitation of the District and of each of the District's member towns as of the close of the fiscal year,
- I. funding status of the pension benefit obligation of the District and of each of the District's member towns, and
- J. annual assessments by the District on each of its member towns for the applicable fiscal year.

(iii) audited financial statements of each of the District's member towns for the fiscal year ending June 30, 2026, if available, 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, each of the District's member towns prepares its financial statements in accordance with generally accepted accounting principles.

(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 District 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 District 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 District; provided that the District agrees that any such modification will be done in a manner consistent with the Rule.

(e) The District may file information with the MSRB, from time to time, in addition to that specifically required by this Agreement (a "Voluntary Filing"). If the District chooses to make a Voluntary Filing, the District 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 District is under no obligation to provide any Voluntary Filing.

Section 3. Listed Events.

The District 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 District;
- (m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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 District, 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 District, 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 District 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 District 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 District or by any agents which may be employed by the District for such purpose from time to time.

Section 6. Termination.

The obligations of the District 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 District 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 District 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 District shall fail to perform its duties hereunder, the District 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 Director of Finance receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Director of Finance is Regional School District Number 13, District Offices, 135A Pickett Lane, Durham, Connecticut 06422. In the event the District 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 District 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 District 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 District from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the District elects to provide any such additional information, data or notices, the District 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 District 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 District, (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.

REGIONAL SCHOOL DISTRICT NUMBER 13, CONNECTICUT

By _____
Robert Moore
Chairman, Board of Education

By _____
Christine Cowan
Treasurer, Board of Education

APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT FOR THE NOTES

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided, 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 Notes, pursuant to a Continuing Disclosure Agreement for the Notes in substantially the following form:

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 21st day of October, 2026 by Regional School District Number 13 of the State of Connecticut (the "District") acting by its undersigned officers, duly authorized, in connection with the issuance of the District's \$24,000,000 General Obligation Bond Anticipation Notes (the "Notes") dated October 21, 2026 for the benefit of the beneficial owners from time to time of the Notes.

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. Listed Events.

The District 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 Notes:

- (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 Notes;
- (g) modifications to rights of holders of the Notes, if material;
- (h) Note calls, if material, and tender offers;
- (i) Note defeasances;
- (j) release, substitution, or sale of property securing repayment of the Notes, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the District;

- (m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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 District, 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 District, 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 3. Use of Agents.

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

Section 4. Termination.

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

Section 5. Identifying Information.

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

Section 6. Enforcement.

The District 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 Notes. In the event the District shall fail to perform its duties hereunder, the District 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 Director of Finance receives written notice from any beneficial owner of the Notes of such failure. The present address of the Director of Finance is Regional School District Number 13, District Offices, 135A Pickett Lane, Durham, Connecticut 06422. In the event the District does not cure such failure within the time specified above, the beneficial owner of any Notes shall be entitled only to the remedy of specific performance. The District 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 Notes.

Section 7. Miscellaneous.

(a) The District 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 District from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Notes. If the District elects to provide any such additional information, data or notices, the District 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 District 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 District, (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 Notes. 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.

REGIONAL SCHOOL DISTRICT NUMBER 13 OF THE STATE OF
CONNECTICUT

By _____
Robert Moore
Chairman, Board of Education

By _____
Christine Cowan
Treasurer, Board of Education

APPENDIX F – NOTICE OF SALE FOR THE BONDS

NOTICE OF SALE

\$8,100,000

REGIONAL SCHOOL DISTRICT NO. 13 OF THE STATE OF CONNECTICUT

GENERAL OBLIGATION BONDS, ISSUE OF 2026

BOOK-ENTRY-ONLY

ELECTRONIC PROPOSALS via PARITY® (“PARITY”) will be received by Regional School District No. 13 of the State of Connecticut (the “District”), at the office of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443 until **12:00 NOON (Eastern Time) on TUESDAY,**

OCTOBER 13, 2026

for the purchase, when issued, of the whole of the District’s \$8,100,000 General Obligation Bonds, Issue of 2026, dated October 21, 2026, bearing interest payable semiannually on April 15 and October 15 in each year until maturity, commencing October 15, 2027, and maturing on October 15 in each year as follows:

2028	\$350,000	2038	\$425,000
2029	\$350,000	2039	\$450,000
2030	\$350,000	2040	\$450,000
2031	\$375,000	2041	\$475,000
2032	\$375,000	2042	\$475,000
2033	\$400,000	2043	\$500,000
2034	\$400,000	2044	\$500,000
2035	\$400,000	2045	\$500,000
2036	\$400,000	2046	\$500,000
2037	\$425,000		

(the “Bonds”). The Bonds will be delivered against payment in Federal funds in New York, New York on or about October 21, 2026. The Bonds **shall not** be designated by the District 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 District and its member towns of Durham and Middlefield (the “Member Towns”), payable, with respect to both principal and interest, unless paid from other sources, from *ad valorem* taxes levied on all property subject to taxation by each Member Town of the District without limitation as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income taxable at limited amounts.

The Bonds maturing on or before October 15, 2034 are not subject to redemption prior to maturity. The Bonds maturing on October 15, 2035 and thereafter are subject to redemption prior to maturity, at the election of the District, on and after October 15, 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 District 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:

<u>Redemption Dates</u>	<u>Redemption Price</u>
October 15, 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 3%. 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 \$8,100,000 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 offering to purchase the Bonds at the lowest true interest cost to the District. For the purpose of determining the successful bidder, the true interest cost to the District 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 21, 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 District 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 District 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 **12:00 NOON (Eastern Time), on Tuesday, October 13, 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 District 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 District, 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 District. By submitting a proposal for the Bonds via PARITY, the bidder represents and warrants to the District 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 District 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 District 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 District 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 District 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 District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Bonds. The District 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 District 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 District, 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 District and its Member Towns when duly certified, (2) that, assuming the accuracy of and continuing compliance by the District 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 District must establish the “issue price” of the Bonds. **In order to assist the District, the winning bidder is obligated to deliver to the District a certificate (an “Issue Price Certificate”) and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Bonds.** The District 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 District (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 October 13, 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 District 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 District 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 District 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 (5th) 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 District has prepared a Preliminary Official Statement dated October 5, 2026 for this Bond issue. The District 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 and amendment. The District will make available to the winning purchaser a reasonable number of copies of the final Official Statement at the District’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 District 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 District 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 District'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 District 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 District in a timely manner. The District 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 District 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 listed events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information on or before a date specified. 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 District, reference is made to the Preliminary Official Statement dated October 5, 2026. The Preliminary Official Statement may be accessed via the Internet at <https://MuniOs.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.

October 5, 2026

Robert Moore

Chairman, Board of Education

Christine Cowan

Treasurer, Board of Education

ISSUE PRICE RULE SELECTION CERTIFICATE

Regional School District No. 13 of the State of Connecticut

\$8,100,000 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 October 5, 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.

<u>Date of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	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)	
			<u>Check Box</u>	<u>Sales Price</u>	<u>Check Box</u>	<u>Initial Offering Price</u>
10/15/2028	\$350,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2029	350,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2030	350,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2031	375,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2032	375,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2033	400,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2034	400,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2035	400,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2036	400,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2037	425,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2038	425,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2039	450,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2040	450,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2041	475,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2042	475,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2043	500,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2044	500,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2045	500,000	_____ %	☐	\$ _____	☐	\$ _____
10/15/2046	500,000	_____ %	☐	\$ _____	☐	\$ _____

(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 October 14, 2026:

Bond Counsel: mritter@goodwin.com

Municipal Advisor: bill.lindsay@munistat.com

(All Sales Prices or Initial Offering Prices must be filled in prior to the delivery date of the Bonds.)

APPENDIX G – NOTICE OF SALE FOR THE NOTES

NOTICE OF SALE

\$24,000,000

REGIONAL SCHOOL DISTRICT NO. 13 OF THE STATE OF CONNECTICUT

GENERAL OBLIGATION BOND ANTICIPATION NOTES

ELECTRONIC PROPOSALS via PARITY® (“PARITY”) will be received by Regional School District No. 13 of the State of Connecticut (the “District”) at the office of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443 until **11:30 A.M. (Eastern Time) on TUESDAY,**

October 13, 2026

for the purchase, when issued, of the District’s \$24,000,000 General Obligation Bond Anticipation Notes dated October 21, 2026, maturing October 20, 2027 (the “Notes”). The Notes are not subject to redemption prior to maturity. The Notes will be payable with interest at maturity and delivered against payment in Federal funds in New York, New York on or about October 21, 2026. The Notes will be general obligations of the District and its member towns of Durham and Middlefield (together, the “Member Towns”) and payable, as to both principal and interest, unless paid from other sources, from *ad valorem* taxes levied on all property subject to taxation by each Member Town of the District without limitation as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income taxable at limited amounts.

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

DTC Book-Entry. The Notes will be issued by means of a book-entry-only system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to the Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. Ownership of the Notes 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 Notes, will be required to deposit the note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the District or its agent to DTC or its nominee as registered owner of the Notes. 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 District 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.

Electronic Proposals Bidding Procedure. Electronic proposals for the purchase of the Notes must be submitted through the facilities of PARITY by **11:30 A.M. (Eastern Time), on Tuesday, October 13, 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 District 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 District, 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 District. By submitting a proposal for the Notes via PARITY, the bidder represents and warrants to the District that such bidder’s proposal for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such proposal by the District will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice of Sale. The District 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 District 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 District 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 District is using PARITY as a communication mechanism, and not as the District's agent, to conduct the electronic bidding for the Notes. The District 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 District 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 Notes, the prospective bidder should telephone PARITY at (212) 849-5021. If any provision of this Notice of Sale shall conflict 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 net interest cost to the District, as described under "Basis of Award" below, 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.

Proposals. Proposals may be made for all or any part of the Notes, but any proposal for a part must be for \$100,000 or a whole multiple thereof and a separate proposal will be required for each part of the Notes for which a separate interest rate is bid. No proposal for less than the minimum denomination or for less than par and accrued interest will be accepted. Each proposal must specify the amount bid for the Notes (which shall be the aggregate par value of the Notes, and, at the option of the bidder, a premium), and must specify one rate of interest in a multiple of one-hundredth (1/100) of one percent (1%) per annum for each part of the Notes bid for in the proposal. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

Basis of Award. As between proposals which comply with this Notice of Sale, the Notes will be sold to the responsible bidder or bidders offering to purchase the Notes at the lowest net interest cost to the District, which will be determined by computing as to each interest rate stated the total interest to be payable at such rate and deducting therefrom any premium. If there is more than one responsible bidder making an offer to purchase all or any portion of the Notes at the same lowest net interest cost, the Notes will be sold to the responsible bidder with the proposal for the largest principal amount of the Notes specified. If more than one responsible bidder makes an offer to purchase all or any portion of the Notes at the same lowest net interest cost and for the same largest principal amount of the Notes specified, the Notes or any portion thereof will be sold to the responsible bidder who is chosen by lot. If a bidder is awarded only a part of the Notes, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the District with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to four decimal places. It is requested that each proposal be accompanied by a statement of the percentage of net interest cost completed to four decimal places. Such statement shall not be considered as part of the proposal.

The District reserves the right to reject any and all proposals and to waive any irregularity or informality with respect to any proposal.

Qualified Tax-Exempt Obligations. The Notes shall **NOT** be designated by the District 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.

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 Notes. A copy of the opinion will be delivered to each purchaser of the Notes. The opinion of Bond Counsel will cover the following matters: (1) that the Notes will be valid and binding general obligations of the District and its Member Towns when duly certified, (2) that, assuming the accuracy of and continuing compliance by the District 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 Notes 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 Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Obligation to Deliver Issue Price Certificate. Pursuant to the Code and applicable Treasury Regulations, the District must establish the “issue price” of the Notes. **In order to assist the District, the winning bidder is obligated to deliver to the District a certificate (an “Issue Price Certificate”) and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Notes.** The District will rely on the Issue Price Certificate and such additional information in determining the issue price of the Notes. The form of Issue Price Certificate is available by contacting William N. Lindsay, Managing Director, Munistat Services, Inc., Email: bill.lindsay@munistat.com, Telephone No. (203) 421-2880, municipal advisor to the District (the “Municipal Advisor”).

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, 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 Notes 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 Notes. **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 Notes, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial offering price to the public of each maturity of the Notes as of October 13, 2026 (the “Sale Date”).

Competitive Sale Rule Not Met. By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Notes 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 Notes prior to the delivery date of the Notes. The rule selected with respect to each maturity of the Notes 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 Notes. 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:

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

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

(vi) will provide the District 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 Notes, this reporting requirement will continue, beyond the closing date of the Notes, if necessary, until such date that at least 10 percent (10%) of such maturity of the Notes has been sold to the public; and

(vii) 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 Notes 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 Notes 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 Notes 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 Notes 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 (5th) business day after the Sale Date of the Notes; 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 Notes to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

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

If the winning bidder has purchased any maturity of the Notes 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 Notes 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 Notes 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 Notes 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 Notes.

Preliminary Official Statement and Official Statement. The District has prepared a Preliminary Official Statement dated October 5, 2026 for this Note issue. The District 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 District will make available to each winning purchaser a reasonable number of copies of the final Official Statement at the District’s expense by the delivery of the Notes or, if earlier, by the seventh business day after the day proposals on the Notes 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.

CUSIP Numbers. The deposit of the Notes with DTC under a book-entry-only system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the District’s Municipal Advisor, Munistat Services, Inc. to apply for CUSIP numbers for the Notes 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 Notes in accordance with Rule G-34 of the Municipal Securities Rulemaking Board, including the identity of the winning purchaser. The District will not be responsible for any delay caused by the inability to deposit the Notes with DTC due to the failure of Munistat Services, Inc. to obtain such numbers and provide them to the District in a timely manner. The District 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 District will agree, in a Continuing Disclosure Agreement entered into in accordance with the requirements of Securities and Exchange Commission Rule 15c2-12(b)(5), to provide 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 Notes. The winning purchaser’s obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, an executed copy of the Continuing Disclosure Agreement for the Notes.

Additional Information. For more information regarding this Note issue and the District, reference is made to the Preliminary Official Statement dated October 5, 2026. The Preliminary Official Statement may be accessed via the Internet at <https://MuniOs.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 the 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 No. (203) 421-2880.

October 5, 2026

Robert Moore
Chairman, Board of Education

Christine Cowan
Treasurer, Board of Education

ISSUE PRICE RULE SELECTION CERTIFICATE

Regional School District No. 13 of the State of Connecticut \$24,000,000 General Obligation Bond Anticipation Notes

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 notes (the “Notes”), as described in the Notice of Sale for the Notes, dated October 5, 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.

<u>Date of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	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)		
			<u>Check Box</u>	<u>Sales Price</u>	<u>Check Box</u>	<u>Initial Offering Price</u>
October 20, 2027	\$24,000,000	_____ %	☐	\$ _____	☐	\$ _____

(All Sales Prices or Initial Offering Prices must be filled in prior to the delivery date of the Notes.)

[NAME OF UNDERWRITER/REPRESENTATIVE]

By: _____
Name:
Title:

Email this completed and executed certificate to the following by 5:00 P.M. (ET) on October 14, 2026:

Bond Counsel: mritter@goodwin.com **Municipal Advisor:** bill.lindsay@munistat.com