

## PRELIMINARY OFFICIAL STATEMENT DATED JUNE 27, 2025

### NEW MONEY ISSUE

### BOND ANTICIPATION NOTES

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

## TOWN OF ASHFORD, CONNECTICUT

**\$1,600,000**

### GENERAL OBLIGATION BOND ANTICIPATION NOTES

(BANK QUALIFIED)

OPTION FOR NO BOOK-ENTRY

**Dated: July 22, 2025**

**Due: July 21, 2026**

Amount	Coupon	Yield	CUSIP (1)
\$ 1,600,000	%	%	044095***

The \$1,600,000 General Obligation Bond Anticipation Notes (the "Notes") will be general obligations of the Town of Ashford, Connecticut (the "Town") and the Town will pledge its full faith and credit to pay the principal of and the interest on the Notes when due. (See "Security and Remedies" herein).

Interest on the Notes will be payable at maturity.

**The Notes are NOT subject to optional redemption prior to maturity.**

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

If requested by the successful purchaser as described under "Option For No Book Entry" herein, the Notes will be issued in the form of a single fully-registered physical certificate in the par amount of the Notes.

Unless the successful bidder on the Notes is designated as the certifying bank, registrar, transfer and paying agent for the Notes as provided in "Option For No Book Entry" herein, U.S. Bank Trust Company, National Association, in Hartford, Connecticut, will act as Certifying Agent, Registrar, Transfer Agent and Paying Agent.

**The Notes are being offered for sale in accordance with an official Notice of Sale dated June 27, 2025. Telephone bids and electronic bids via *PARITY*® for the Notes will be received until 11:00 A.M. (E.T.) on Tuesday, July 8, 2025, at the offices of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut, as described in the official Notice of Sale. (See "Appendix D" to this Official Statement).**

*The Notes are offered for delivery when as, and if issued, subject to the final approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Notes in definitive form will be made on or about July 22, 2025 through the facilities of DTC.*

- (1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc., which is not affiliated with the Town and are included solely for the convenience of the holders of the Notes. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Notes or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of 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 Notes.

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

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

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

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

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

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

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

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

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

## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
The Note Issue Summary.....	i	V. Financial Information	
I. Securities Offered		Fiscal Year .....	19
Introduction .....	1	Accounting Policies .....	19
Description of the Notes .....	1	Budgetary Procedures .....	19
Authorization and Use of Proceeds .....	1	Municipal Budget Expenditure Cap.....	20
Ratings.....	2	Annual Audit .....	20
Security and Remedies .....	2	Employee Pension Systems.....	20
Option for No Book Entry .....	3	Other Post-Employment Benefits.....	20
Book-Entry-Only Transfer System.....	3	Investment Policies and Practices .....	21
Replacement Notes.....	5	Property Tax Revenues .....	22
DTC Practices.....	5	Intergovernmental Revenues.....	22
Tax Matters.....	5	Expenditures .....	22
The COVID-19 Outbreak and		Comparative General Fund Operating Statement..	23
Future Pandemics.....	6	Comparative General Fund Balance Sheet.....	24
Cybersecurity.....	7	Analysis of General Fund Equity .....	24
Climate Change .....	7	Comparative General Fund Revenues and	
Qualification for Financial Institutions.....	7	Expenditures .....	25
Availability of Continuing Disclosure		VI. Debt Summary	
Information .....	7	Principal Amount of Indebtedness .....	26
II. The Issuer		School Building Grant Reimbursements .....	26
Description of the Town .....	8	Schedule of Long-Term Debt Through Maturity ..	27
Form of Government .....	9	Overlapping and Underlying Indebtedness .....	27
Municipal Officials.....	9	Debt Statement.....	28
Summary of Municipal Services .....	9	Current Debt Ratios .....	28
Municipal Employment.....	10	Legal Requirements for Approval of Borrowing..	29
Municipal Employees Bargaining Units.....	10	Temporary Financing .....	29
Educational Facilities .....	11	Limitation of Indebtedness.....	29
Educational Enrollment.....	11	Statement of Statutory Debt Limitation .....	30
III. Economic and Demographic Information		Authorized but Unissued Debt .....	30
Population Trends.....	12	Historical Debt Statement .....	31
Age Distribution of the Population.....	12	Historical Debt Ratios.....	31
Income Distribution.....	12	Ratio of Annual Debt Service Expenditures	
Selected Wealth and Income Levels.....	13	To Total General Fund Expenditures and	
Educational Attainment .....	13	Transfers Out.....	32
Major Employers.....	13	VII. Legal and Other Litigation	
Employment by Industry .....	14	Litigation.....	33
Unemployment Data .....	14	Municipal Advisor .....	33
Number of Dwelling Units .....	14	Documents Accompanying Delivery of the	
Characteristics of Housing Units.....	15	Notes .....	33
Age Distribution of Housing .....	15	Concluding Statement .....	34
Number and Value of Building Permits.....	15		
IV. Tax Base Data		Appendix A – Audited Financial Statements	
Assessment Practices.....	16	Appendix B – Form of Opinion of Bond Counsel	
Property Tax Collection Procedure.....	16	Appendix C – Form of Continuing Disclosure Agreement	
Motor Vehicle Property Tax Rate.....	16	Appendix D – Notice of Sale	
Real Property Tax Levies and Collections.....	17		
Taxable Grand List.....	17		
Largest Taxpayers .....	18		
Equalized Net Grand List .....	18		

## NOTE ISSUE SUMMARY

*The information in this Note Issue Summary, the 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.*

<b>Date of Sale:</b>	<b><u>Tuesday, July 8, 2025, 11:00 A.M. (Eastern Time).</u></b>
<b>Location of Sale:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443.
<b>Issuer:</b>	Town of Ashford, Connecticut (the "Town").
<b>Issue:</b>	\$1,600,000 General Obligation Bond Anticipation Notes (the "Notes").
<b>Dated Date:</b>	Date of delivery.
<b>Interest Due:</b>	At maturity, July 21, 2026.
<b>Principal Due:</b>	At maturity, July 21, 2026.
<b>Purpose and Authority:</b>	The proceeds of the Notes will be used to fund school roof replacement projects as approved at a Special Town Meeting. See "Authorization and Use of Proceeds" herein
<b>Redemption:</b>	The Note are <b><u>NOT</u></b> subject to redemption prior to maturity as more fully described herein.
<b>Security:</b>	The Note will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
<b>Credit Rating:</b>	The Town has not applied for a rating on the Notes. Currently, the Town's outstanding bonds are rated "Aa3" by Moody's Ratings ("Moody's"). See "Ratings" herein.
<b>Basis of Award:</b>	Lowest Net Interest Cost ("NIC"), as of dated date.
<b>Tax Exemption:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Notes <b><u>SHALL BE</u></b> designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense incurred to carry the Notes.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide or cause to be provided, notices of certain events not in excess of ten (10) business days of the occurrence of such events pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent and Paying Agent:</b>	Unless the successful purchaser is designated as such as provided in "Option For No Book Entry" herein, U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Legal Opinion:</b>	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about July 22, 2025 against payment in <b>Federal Funds</b> .
<b>Issuer Official:</b>	Questions concerning the Official Statement should be directed to Sherri Soucy, Finance Director/Treasurer, Town of Ashford, 5 Town Hall Road, Ashford, Connecticut 06278. Telephone: 860-487-4405.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mark Chapman, Managing Director, Telephone: 203-421-2087.

## I. SECURITIES OFFERED

### INTRODUCTION

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Ashford, Connecticut (the "Town") in connection with the issuance of \$1,600,000 General Obligation Bond Anticipation Notes (the "Notes") of the Town, and may not be reproduced or used in whole or in part for any other purpose.

The Notes are being offered for sale at public bidding. A Notice of Sale dated June 27, 2025 has been furnished to prospective bidders. Reference is made to the Notice of Sale (See Appendix D to this Official Statement) for the terms and conditions of the bidding on the Notes.

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

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

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 opinion in Appendix B) and they make no representation that they have independently verified the same.

### DESCRIPTION OF THE NOTES

The Notes will be dated the date of delivery and will bear interest at the rate or rates per annum shown on the cover page of this Official Statement. The Notes will be payable as to both principal and interest at maturity. The Notes will be issued as fully registered notes in denominations of \$5,000 or any integral multiple thereof. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. A book-entry-only transfer system will be employed evidencing ownership of the Notes with transfers of ownership on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See "Book-Entry-Only Transfer System" herein. Principal of and interest on the Notes will be payable by the Town or its agent to the successful purchaser, as registered owner of the Notes.

Unless the successful purchaser of the Notes is designated as the Certifying Agent, Registrar, Transfer and Paying Agent for the Notes as provided in "Option For No Book Entry" herein, the Certifying Agent, Paying Agent, Registrar, and Transfer Agent will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut. The legal opinion on the Notes will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix B to this Official Statement.

### AUTHORIZATION AND USE OF PROCEEDS

The Notes are issued pursuant to Section 7-369 and Section 10-289 of the General Statutes of Connecticut and a borrowing resolution approved at a Special Town Meeting held on February 11, 2023 for the Ashford School Roof Replacement Project.

The Notes will be used to finance the following projects authorized by the Town:

<b>Project</b>	<b>Amount of Total Authorization</b>	<b>Notes Maturing July 22, 2025</b>	<b>Additions / (Reductions)</b>	<b>The Notes (This Issue) (1)</b>
Ashford School Roof Replacement Project....	\$ 5,000,000	\$ 4,000,000	\$ (2,400,000)	\$ 1,600,000

- (1) It is estimated that the Town will receive State of Connecticut School Construction grant progress payments in the amount of \$2,614,400 during the construction of the project. As of July 22, 2025, the Town has received \$1,739,708 in progress payments. (See "School Projects" herein).



## **RATINGS**

The Town has not applied for a rating on the Notes. Currently, the Town's bond rating is "Aa3" by Moody's Ratings ("Moody's"). Such rating reflects only the views of such organization and any explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: 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. The Town furnished certain information and materials to the rating agency, some of which may not have been included in this Official Statement. There is no assurance that such rating will continue for any given period of time or that the rating will not be revised or withdrawn entirely by the agency if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of such rating may have an effect on the market price of the Town's outstanding bonds and notes, including the Notes.

## **SECURITY AND REMEDIES**

The Notes will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due.

Unless paid from other sources, the Notes are payable from general property tax revenues. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts and except as provided by a budget limitation ordinance of the Town entitled "Resolution 80", adopted at referendum held April 29, 1980. There were 97 acres of such classified forest land on the last completed grand list of the Town. The Town may place a lien on the property for the amount of tax relief granted, plus interest with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income. The budget limitation ordinance of the Town reads, in relevant portion, as follows:

"The purpose of this ordinance is to limit by town ordinance the increase in the annual combined town budget to revenue generated by the growth in the Grand List, in State and Federal assistance, and other income, except for increases, voted upon by Town Meeting, necessary to cover debt service on legal obligations, court judgments against the Town, State mandated programs, and emergency expenditures."

"In the event of property revaluation, the actual dollar increase in the combined town budget shall be limited to the dollar amount of increase in the preceding years budget or the average amount of increase over the preceding three years, whichever is lower."

Payment of the Notes is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Notes.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Notes or judgments thereon, in priority to other claims.

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

*[The remainder of this page intentionally left blank]*

Enforcement of a claim for payment of principal of or interest on 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 affecting creditors' rights heretofore or hereafter enacted by the Congress or the Connecticut General Assembly and to the exercise of judicial discretion. Under the Federal bankruptcy code, the Town may seek relief only, among other requirements if it is specifically authorized in its capacity as a municipality or by name, to be a debtor under Chapter 9 thereof, or by State law or a governmental officer or organization empowered by State law to authorize such entity to become a debtor under such Chapter. Section 7-566 of the Connecticut General Statutes provides that no Connecticut municipality shall file a petition in bankruptcy under Chapter 9 of Title 11 of the United States Code without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue notes or other obligations.

#### **OPTION FOR NO BOOK ENTRY**

As described in the official Notice of Sale dated June 27, 2025, a bidder for the Notes may request that the Notes be issued in the form of a single fully-registered physical certificate in the par amount of the Notes, rather than in book-entry form through the facilities of DTC, provided the bid is for all the Notes at the same interest rate. A bidder for the Notes requesting that the Notes be issued in non-book-entry form may request that it be designated by the Town as the certifying agent, registrar and paying and transfer agent for the Notes if it is a bank or trust company authorized to act in such capacity pursuant to the Connecticut General Statutes. The Town reserves the right to decline any request to issue the Notes in non-book-entry form, or to designate the successful bidder as certifying agent, registrar and paying and transfer agent for the Notes, if it should determine, in its sole discretion, that issuing the Notes in this manner is not in its best interests. If the Notes are issued in non-book-entry form, they are non-transferable and must be held to maturity by the winning bidder requesting the No Book Entry Option. The successful bidder shall not impose or charge the Town for any costs or expenses related to the services as certifying agent, registrar and paying and transfer agent for the Notes if the successful bidder is so designated.

Unless the successful purchaser makes a request for no book entry as described herein and in the official Notice of Sale, the Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public.

#### **BOOK-ENTRY-ONLY TRANSFER SYSTEM**

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written 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 Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

Principal and interest payments on, and redemption premium, if any, with respect to the Notes will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Paying Agent, or the Town subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The Town 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, note certificates will be printed and delivered to DTC.

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



## REPLACEMENT NOTES

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

## DTC PRACTICES

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

## TAX MATTERS

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

Bond Counsel's opinion with respect to the Notes will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986 (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Notes in order that interest on the Notes be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes irrespective of the date on which such noncompliance occurs. In the Tax Regulatory Agreement, which will be delivered concurrently with the issuance of the Notes, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Note proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Notes is conditioned upon compliance by the Town with such requirements.

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

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

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

**State Taxes.** In the opinion of Bond Counsel, under existing statutes, interest on the 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 for 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 own tax advisors with respect to the determination for state and local income tax purposes of original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Notes.

**Changes in Federal and State Tax Law.** Legislation affecting tax-exempt obligations is regularly considered by the United States Congress. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Notes will not have an adverse effect on the tax status of interest on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Notes should be aware that future legislative actions may increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Notes may be adversely affected and the ability of holders to sell their Notes in the secondary market may be reduced. The Notes are not subject to special mandatory redemption, and the interest rates on the Notes are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Notes.

**General.** The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the date of its opinion. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Notes. Prospective owners of the Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Notes.

## **THE COVID-19 OUTBREAK AND FUTURE PANDEMICS**

On January 30, 2020, the outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the "State") and took steps to mitigate the spread and impacts of COVID-19. As of May 11, 2023, the federal and State public health emergency declarations have been terminated.

In response to the COVID-19 pandemic, on March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the "Rescue Plan") that provided various forms of financial assistance and other relief to state and local governments. The Town received \$1.7 million from the Rescue Plan. The Town developed a plan for the use of such funds that will focus on infrastructure improvements and other initiatives that comply with the program eligibility criteria.

For information concerning the State's actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the Town, nor the parties involved with the issuance of the Notes, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the Town.

Pandemics, epidemics and other public health emergencies, may adversely impact the Town and its revenues, expenses and financial condition. The Town cannot predict the duration and extent of such pandemics, epidemics and other health emergencies, or quantify the magnitude of their ultimate impact on the State and regional economy, or on the revenues and expenses of the Town. Pandemics, epidemics and other health emergencies may be ongoing, and their dynamic nature may lead to many uncertainties, including (i) the geographic spread as they evolve; (ii) the severity as they mutate; (iii) the duration of the outbreak; (iv) actions that may be taken by governmental authorities to contain or mitigate future outbreaks; (v) the development of medical therapeutics or vaccinations; (vi) travel restrictions; (vii) the impact of the outbreak on the local, State or global economy; (viii) whether and to what extent the State Governor may order additional public health measures; and (ix) the impact of the outbreak and actions taken in response to the outbreak on the Town revenues, expenses and financial condition.

Prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the State or federal government.

## **CYBERSECURITY**

The Town like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls, including comprehensive procedures relating to the security of the Town's government networks. Additionally, the Town purchases cybersecurity insurance, so that a claim can be made to the insurance provider in the event of a cyber-attack. To date no breaches have occurred. 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 Town's digital networks and systems and the costs of remedying any such damage could be substantial.

## **CLIMATE CHANGE**

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. Like much of Connecticut, the Town is vulnerable to inland wetland, small river and stream flooding. The Town faces other threats due to climate change, including damaging wind that could become more severe and frequent. The Town has a very active program of tree inspections and removals. While the Town cannot predict the timing, extent or severity of climate change and its impact on the Town's operations and finances, the Town believes it holds sufficient reserves and annually budgets for contingencies to address unforeseen expenses resulting from the increasing frequency of severe weather. The Town is prepared to quickly respond and recover from any such events that would exceed its annual operating budget. In an effort to address climate change, the Town has enrolled in the Sustainable CT program and received a "Bronze" designation from the program. The Town achieved Bronze recertification in August 2022.

## **QUALIFICATIONS FOR FINANCIAL INSTITUTIONS**

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

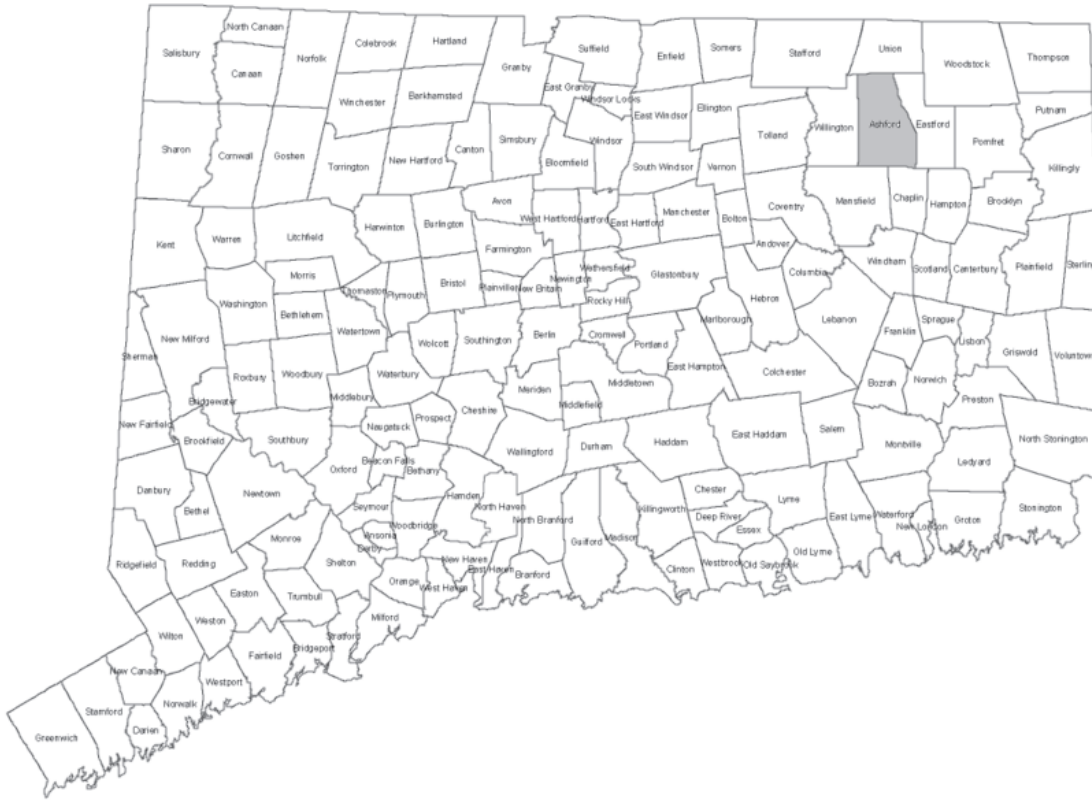
## **AVAILABILITY OF CONTINUING DISCLOSURE**

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided timely notice of the occurrence of certain events not in excess of 10 business days of the occurrence of such events with respect to the Notes. The Continuing Disclosure Agreement for the Notes shall be executed by the Town in substantially the form contained in Appendix C to this Official Statement.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds or notes to provide annual financial information and event notices pursuant to Rule 15c2-12(b)(5). In the past five years, the Town has not failed to comply in any material respect with its previous undertakings under such agreements. The Town has hired its municipal advisor to make its annual filings and is implementing procedures to ensure it files all required annual financial information in a timely manner in the future.

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## II. THE ISSUER



### DESCRIPTION OF THE TOWN

The Town of Ashford (the “Town” or “Ashford”), settled in 1710 and thought to be named for Ashford in Kent, England, was incorporated as Connecticut’s forty-fourth town in October 1714. It covers an area of 39.5 square miles about 32 miles east of Hartford and 45 miles west of Providence on the old Hartford–Providence Turnpike. The University of Connecticut, located in the adjoining Town of Mansfield, is a major influence on the character of the community.

The Town was originally part of the Wabbaquasset country conveyed to Major Fitch by Owaneco, the son of Uncas, chief of the Mohegans. It was not the site of any established Indian settlements but was occupied at times by hunting or war parties. Ashford was crossed by the Old Connecticut Path which was originally an Indian trail over the hills near the headwaters of the streams where fording was a minor problem. Thomas Hooker followed this trail when he brought the first colonists to Connecticut, and it continued in regular use, although unsettled, until after the valley towns were incorporated. The Path was replaced by turnpikes which were traveled by such people as George Washington, Mark Twain and Odell Shepard. A suitable grade could not be found for the railroad so it was detoured around Ashford, and the Town declined until the building of the State highways. U.S. Routes 44 and 74 replaced the Providence turnpike and Interstate Route 84 replaced the Boston turnpike. Route 89 serves as a connector between them.

Electrification and town aid road grants made it possible for those seeking to leave the cities to live here and work out of town. Ashford is equipped with the Ashford Elementary School (pre-kindergarten through eighth grade), and the E.O. Smith High School which is part of Regional School District Number 19 (grades nine through twelve). The ACT Performing Arts Magnet High School and the Windham Technical School in Willimantic, and the Harvard H. Ellis School in Danielson are easily accessible and offer training in a wide variety of skills. For advanced education there is the University of Connecticut, Eastern Connecticut State University in Willimantic, the Quinebaug Valley Community College in Danielson and Manchester Community College.

The Lake Chaffee Improvement Association is the only separate tax district located within the territorial limits of the Town. Regional School District Number 19 is the only overlapping governmental entity for financial statement reporting purposes.

FORM OF GOVERNMENT

The Town has a Town Meeting form of government with a Board of Selectmen consisting of three elected members serving concurrent two-year terms and a Board of Finance consisting of six elected regular members and three elected alternates serving overlapping six-year terms. Powers and privileges are conferred and granted to the Town by the Connecticut General Statutes. Ashford does not have a Charter. The Town Meeting is the legislative body and must approve the annual budget, all special appropriations or expenditures over \$20,000, and all bond and note authorizations. The First Selectman, who is a member of the Board of Selectmen, is the Chief Executive Officer of the Town and is responsible for the administration of all Town matters with the exception of the education system. Presiding over the Board of Selectmen, the First Selectman has full voting privileges.

The Board of Finance is the budget-making authority and is responsible for financial and taxation matters, presenting the annual operating budget and special appropriations to the Town Meeting for its approval and establishing the tax rate.

The local Board of Education, which is an elected seven-member board, is the policy-making body for all public education, grades pre-kindergarten through eight. The Superintendent of Schools is directly responsible to the Board of Education for the supervision and administration of the education system for the Town. Grades nine through twelve are serviced by Regional School District Number 19 (the “District”) which is administered by a regional school board composed of four electors from each of its member towns of Ashford, Mansfield and Willington. The District is a separate and distinct organization operating under State legislation and is responsible for the adoption of its capital and operating budgets.

The Town has the power to incur indebtedness by issuing bonds and/or notes as provided by the Connecticut General Statutes.

MUNICIPAL OFFICIALS

Name	Position	Term of Office	Years of Service
Cathryn E. Silver-Smith.....	First Selectman.....	2 Years – Elected	2.0
William A. Falletti.....	Selectman.....	2 Years – Elected	30.0
Roger T. Phillips.....	Selectman.....	2 Years – Elected	5.0
Sherri Mutch.....	Town Clerk.....	Appointed	11.0
Sherri Soucy.....	Treasurer.....	Appointed	3.0
Linda Gagne.....	Tax Collector.....	Appointed	32.0
Cynthia Ford.....	Superintendent.....	Appointed	2.0

Source: Town Officials.

SUMMARY OF MUNICIPAL SERVICES

**Public Safety:** Police protection is provided by Troop “C,” Stafford Springs, of the Connecticut State Police.

Fire protection is provided by the Ashford Volunteer Fire Department, a volunteer fire department with 60 members who attend regular drills and training sessions. The department has two companies equipped with three combination pumper/tankers, one fire/rescue truck, one forestry truck, and one ambulance.

Ambulance service for the Town is provided by the Ashford Volunteer Fire Department. The ambulance is available 24 hours a day, seven days a week, and is staffed by 24 volunteer emergency medical technicians, and effective July 1, 2024 paid staff will also be 24 hours a day, seven days a week.

**Public Health:** The Town is served by the Eastern Highlands Health District, which acts as the Town’s sanitarian and provides inspections for things like septic systems, oversees percolation testing, provides health warnings, and issues food service inspections, among other things. Service agencies providing services in the Town include VNA East, Inc., Dial-A-Ride, United Services, Inc., Women’s Center of Northeast Connecticut, Inc., and Connecticut Legal Services. The Health Link Van from the Windham Community Memorial Hospital periodically provides health screening services to Ashford residents.

**Public Education:** See “Educational System” herein.

**Sewer/Water:** The Town owns wells and a pumping station and subcontracts from Connecticut Water the operation of one community water system that serves the Pompey Hollow Senior Housing, the Earl W. Smith Senior Center, and the United Baptist Church of Ashford. The Town owns a water line extension and booster pumping station that serves properties on Nott Highway (Route 74). Operation of this water line extension is subcontracted to a Connecticut Water.



**Library:** The Babcock Library provides full library services to Town residents. The total number of items in the collection is 29,485, which includes 27,409 printed items and 2,076 non-printed items.

**Recreation:** The Town of Ashford and northeastern Connecticut offer many activities for the outdoor enthusiast including hunting, fishing, canoeing, cross country skiing, hiking and swimming. The Ashford Parks and Recreation Commission offers many activities for both children and adults, including supervised lessons for children in the summer.

**Solid Waste and Refuse Collection:** The Town operates a solid waste transfer station and recycling center. Ashford residents bring their refuse and garbage to the transfer station site. Material collected at the site is then hauled to the appropriate disposal facility by haulers contracted by the Town through the Mid Northeast Recycling Organizing Committee. Funding for the disposal of solid waste and recyclable materials is provided through the General Fund. The Town has a contract with Casella Waste to accept Town solid waste effective June 30, 2024 for a tipping fee of \$105.00 per ton plus hauling fee of \$220.00 per haul.

**Public Housing:** The Ashford Housing Authority, formed in 1987, oversees the operation of 32 housing units for the elderly and disabled. The Pompey Hollow Senior Housing complex was issued a certificate of occupancy in May of 1994.

**Senior Center:** The 3,600-square-foot Earl W. Smith Senior Center, completed and opened for use in June of 1994, was constructed using Small Cities Grant funds.

#### MUNICIPAL EMPLOYMENT

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
General Government.....	27	21	19	20	20
Board of Education.....	98	101	102	97	101
Total.....	125	122	121	117	121

Source: Town Officials.

#### MUNICIPAL EMPLOYEES BARGAINING UNITS

<b>Employees Represented</b>	<b>Union Representation</b>	<b>Employees Represented</b>	<b>Contract Expiration Date</b>
<b><u>GENERAL GOVERNMENT</u></b>			
Public Works and Transfer Station.....	AFSCME.....	8	6/30/26
Town Hall.....	AFSCME.....	2	6/30/26
<b><u>BOARD OF EDUCATION</u></b>			
Certified Staff.....	Ashford Education Association.....	40	6/30/26
Non-certified Employees.....	Non-Certified Employees of the Ashford Board of Education.....	34	6/30/24 (1)

(1) In negotiations.

Source: Town of Ashford.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either of the parties. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of (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.

## EDUCATIONAL FACILITIES

<u>Schools</u>	<u>Grades</u>	<u>Date Occupied</u>	<u>Last Remodeled</u>	<u>Class room</u>	<u>Enrollment 10/01/24</u>	<u>Rated Capacity</u>
Ashford Elementary.....	Pre-K-8	1950	1992	32	351	600

Source: Town of Ashford, Board of Education.

## EDUCATIONAL ENROLLMENT

<u>As of October 1</u>	<u>Pre-K-8</u>	<u>9 - 12 (1)</u>	<u>Total</u>
<i>Historical</i>			
2019	332	182	514
2020	328	176	504
2021	316	196	512
2022	302	186	488
2023	293	172	465
2024	351	178	529
<i>Projected</i>			
2025	355	178	533
2026	339	186	525
2026	339	186	525
2027	325	186	511
2028	310	186	496

(1) Ashford students attending Regional Schol District Number 19.

Source: Town of Ashford, Board of Education.

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### III. ECONOMIC AND DEMOGRAPHIC INFORMATION

#### POPULATION TRENDS

<b>Year</b>	<b>Town of Ashford</b>	<b>Northeastern CT Planning Region</b>	<b>State of Connecticut</b>
1990	3,765	n/a	3,287,116
2000	4,098	n/a	3,405,565
2010	4,320	n/a	3,545,837
2020	4,218	n/a	3,570,549
2023	4,220	95,829	3,598,348

Source: U.S. Department of Commerce, Bureau of Census, 2020, 2010, 2000; U.S. Census Bureau, 2019-2023 American Community Survey.

#### AGE DISTRIBUTION OF THE POPULATION

<b>Age</b>	<b>Town of Ashford</b>		<b>Northeastern CT Planning Region</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 5.....	211	5.0	4,399	4.6	181,240	5.0
5 - 9.....	267	6.3	5,156	5.4	195,390	5.4
10 - 14.....	171	4.1	4,871	5.1	217,297	6.0
15 - 19.....	188	4.5	5,331	5.6	238,145	6.6
20 - 24.....	214	5.1	5,064	5.3	233,423	6.5
25 - 34.....	552	13.1	12,034	12.6	449,771	12.5
35 - 44.....	748	17.7	12,197	12.7	451,461	12.5
45 - 54.....	564	13.4	12,889	13.4	462,543	12.9
55 - 59.....	225	5.3	7,728	8.1	260,758	7.2
60 - 64.....	335	7.9	7,908	8.3	257,548	7.2
65 - 74.....	487	11.5	10,998	11.5	376,023	10.4
75 - 84.....	244	5.8	5,285	5.5	187,378	5.2
85 and over.....	14	0.3	1,969	2.1	87,371	2.4
Total .....	<u>4,220</u>	<u>100.0</u>	<u>95,829</u>	<u>100.0</u>	<u>3,598,348</u>	<u>100.0</u>

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

#### INCOME DISTRIBUTION

	<b>Town of Ashford</b>		<b>Northeastern CT Planning Region</b>		<b>State of Connecticut</b>	
	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>
Less than \$10,000 .....	23	1.7	609	2.3	22,973	2.5
\$ 10,000 to 14,999 .....	26	2.0	398	1.5	12,547	1.4
\$ 15,000 to 24,999 .....	0	0.0	533	2.0	29,893	3.3
\$ 25,000 to 34,999 .....	77	5.8	1,112	4.2	35,598	3.9
\$ 35,000 to 49,999 .....	64	4.8	1,724	6.6	61,793	6.7
\$ 50,000 to 74,999 .....	52	3.9	3,904	14.9	108,046	11.8
\$ 75,000 to 99,999 .....	133	10.0	4,347	16.5	108,216	11.8
\$100,000 to 149,999 .....	222	16.7	6,507	24.8	185,242	20.2
\$150,000 to 199,999 .....	171	12.9	3,221	12.3	128,574	14.0
\$200,000 or more .....	558	42.1	3,921	14.9	224,258	24.5
Total .....	<u>1,326</u>	<u>100.0</u>	<u>26,276</u>	<u>100.0</u>	<u>917,140</u>	<u>100.0</u>

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

## SELECTED WEALTH AND INCOME LEVELS

	Median Family Income			
	(2000)	(2010)	(2020)	(2023)
Town of Ashford.....	\$56,131	\$79,157	\$133,250	\$176,023
Northeastern CT Planning Region.....	N/A	N/A	N/A	103,232
Connecticut.....	65,521	84,170	102,061	120,011
United States.....	49,600	62,982	80,069	96,922

	Per Capita Income			
	(2000)	(2010)	(2020)	(2023)
Town of Ashford.....	\$23,374	\$32,842	\$46,602	\$60,903
Northeastern CT Planning Region.....	N/A	N/A	N/A	44,393
Connecticut.....	28,766	36,775	45,668	54,409
United States.....	21,690	27,334	35,384	43,289

Source: U.S. Department of Commerce, Bureau of Census, 2020, 2010, 2000; U.S. Census Bureau, 2019-2023 American Community Survey.

## EDUCATIONAL ATTAINMENT

Years of School Completed Age 25 and Over

Educational Attainment Group	Town of Ashford		Northeastern CT Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	11	0.3	1,825	2.6	101,530	4.0
9th to 12th grade.....	22	0.7	3,781	5.3	118,019	4.7
High School graduate.....	1,277	40.3	25,008	35.2	647,094	25.5
Some college - no degree.....	382	12.1	14,419	20.3	410,591	16.2
Associates degree.....	212	6.7	7,400	10.4	193,216	7.6
Bachelor's degree.....	588	18.6	10,581	14.9	581,935	23.0
Graduate or professional degree.....	677	21.4	7,994	11.3	480,468	19.0
Total.....	3,169	100.0	71,008	100.0	2,532,853	100.0

Percent High School Graduate or Higher.....	99.0%	92.1%	91.3%
Percent Bachelor's Degree or Higher.....	39.9%	26.2%	41.9%

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

## MAJOR EMPLOYERS

Name of Employer	Nature of Entity	Estimated Number of Employee
Ashford BOE.....	Town Schools.....	98
Hole in the Wall Gang Camp.....	Non-Profit Camp.....	78
Town of Ashford.....	Municipality.....	27
Midway Restaurant.....	Commercial.....	25
Pith Products.....	Manufacturer.....	17
Cumberland Farms.....	Commercial.....	12
North Veterinary Clinic.....	Commercial.....	9

Source: Town Officials.

## EMPLOYMENT BY INDUSTRY

	Town of Ashford		Northeastern CT Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fisheries.....	27	1.4	772	1.6	7,261	0.4
Construction.....	219	11.2	3,429	7.0	112,821	6.1
Manufacturing.....	214	10.9	7,415	15.0	195,355	10.6
Wholesale trade.....	11	0.6	862	1.7	37,294	2.0
Retail trade.....	220	11.2	6,511	13.2	192,535	10.5
Transportation & warehousing & utilities.....	63	3.2	3,420	6.9	84,571	4.6
Information.....	40	2.0	658	1.3	36,631	2.0
Finance, insurance, real estate.....	137	7.0	2,897	5.9	162,724	8.9
Professional, scientific & management.....	196	10.0	4,009	8.1	223,982	12.2
Educational, health & social services.....	529	27.0	12,146	24.6	490,839	26.7
Arts, entertainment & recreation.....	111	5.7	3,635	7.4	145,445	7.9
Other professional services.....	77	3.9	1,406	2.9	78,662	4.3
Public administration.....	115	5.9	2,116	4.3	67,335	3.7
Total.....	1,959	100.0	49,276	100.0	1,835,455	100.0

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

## EMPLOYMENT DATA

Yearly Average	Percentage Unemployed			
	Town of Ashford	Hartford Labor Market	State of Connecticut	United States
	%	%	%	%
2015	4.7	5.6	5.6	5.3
2016	4.5	4.9	4.8	4.9
2017	4.1	4.4	4.4	4.4
2018	3.7	3.9	3.9	3.9
2019	3.1	3.6	3.6	3.7
2020	6.2	7.8	8.0	8.1
2021	5.0	6.4	6.4	5.4
2022	3.6	4.1	4.1	3.7
2023	3.2	3.7	3.8	3.6
2024	3.1	3.5	3.5	4.0

2025 Monthly				
	Town of Ashford	Putnam-Northeast (1) Labor Market	State of Connecticut	United States
	%	%	%	%
January	4.3	4.2	4.0	4.4
February	4.5	4.8	4.5	4.5
March	4.3	4.4	4.1	4.2
April	2.9	3.6	3.4	3.9

(1) The Town is now part of the newly formed Putnam-Northeast labor market.

Source: Department of Labor, State of Connecticut.

## NUMBER OF DWELLING UNITS

2023	2020	2010	2000	% Increase 2020-2023	% Increase 2010-2023	% Increase 2000-2023
2,068	1,998	1,869	1,762	3.50%	10.65%	17.37%

Source: U.S. Census Bureau 2020, 2010 and 2000, 2019-2023 American Community Survey.



## CHARACTERISTICS OF HOUSING UNITS

Sales Price Category	Town of Ashford		Northeastern CT Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000 .....	38	2.6	651	2.2	22,174	2.4
\$ 50,000 to \$ 99,999 .....	22	1.5	580	1.9	15,116	1.6
\$ 100,000 to \$149,999 .....	60	4.1	1,175	3.9	38,832	4.1
\$ 150,000 to \$199,999 .....	57	3.9	3,332	11.2	77,152	8.2
\$ 200,000 to \$299,999 .....	468	31.7	11,291	37.8	233,824	24.9
\$ 300,000 to \$499,999 .....	698	47.3	10,314	34.6	319,703	34.0
\$ 500,000 to \$999,999 .....	124	8.4	2,182	7.3	173,643	18.5
\$1,000,000 and over .....	10	0.7	310	1.0	59,468	6.3
Total .....	<u>1,477</u>	<u>100.0</u>	<u>29,835</u>	<u>100.0</u>	<u>939,912</u>	<u>100.0</u>
Median Value.....	\$315,400		\$281,300		\$343,200	

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

## AGE DISTRIBUTION OF HOUSING

Year Built	Town of Ashford		Northeastern CT Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1939 or earlier.....	246	11.9	9,737	23.4	313,434	20.4
1940 - 1949.....	96	4.6	1,474	3.5	95,842	6.2
1950 - 1959.....	189	9.1	3,681	8.8	221,879	14.4
1960 - 1969.....	291	14.1	4,107	9.9	198,807	12.9
1970 - 1979.....	279	13.5	5,597	13.4	210,611	13.7
1980 - 1989.....	225	10.9	5,997	14.4	197,533	12.9
1990 - 1999.....	198	9.6	4,496	10.8	116,617	7.6
2000 - 2009.....	463	22.4	4,710	11.3	108,430	7.1
2010 - 2019.....	48	2.3	1,611	3.9	66,546	4.3
2020 or later.....	33	1.6	219	0.5	6,350	0.4
Total.....	<u>2,068</u>	<u>100.0</u>	<u>41,629</u>	<u>100.0</u>	<u>1,536,049</u>	<u>100.0</u>

Source: U.S. Census Bureau, 2019-2022 American Community Survey.

## NUMBER AND VALUE OF BUILDING PERMITS

Calendar Year	Total	
	Number	Value
2025 (1)	77	\$ 2,054,722
2024	346	10,351,059
2023	542	10,601,410
2022	378	8,865,349
2021	368	7,344,402
2020	256	3,782,109
2019	283	5,622,050
2018	219	3,293,027
2017	288	3,634,172
2016	285	2,278,367

(1) As of May 31, 2025.

Source: Building Department, Town of Ashford.

## **IV. TAX BASE DATA**

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### **ASSESSMENT PRACTICES**

The Town of Ashford had a revaluation effective on the Grand List of October 1, 2021. The next revaluation is scheduled for October 1, 2026. Under Section 12-62 of the Connecticut General Statutes, as amended, the Town must do a revaluation every five years and the assessor must fully inspect each parcel, including measuring or verifying the exterior dimensions of a building and entering and examining the interior of the building once every ten years. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. Municipalities may choose to phase-in real property assessment increases resulting from a revaluation, but such phase-in must be implemented in less than five assessment years. The maintenance of an equitable tax base, and the location and appraisal of all real and personal property within the Town of Ashford for inclusion onto the Grand List are the responsibilities of the Town's Assessor's Office. The Grand List represents the total of assessed values for all taxable real and personal property and motor vehicles located within the Town on October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at seventy percent (70%) of the estimated market value at the time of the last general revaluation.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. 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 business personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's clerk and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy (70%) of present market value.

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

### **PROPERTY TAX COLLECTION PROCEDURE**

Taxes for the fiscal year are paid on the grand list of the prior October 1, and are due July 1, payable in two installments, one half on July 1 and one half on January 1. Payments not received by August 1 and February 1 become delinquent. Motor vehicle taxes must be paid in a single installment due July 1. Real estate and personal property taxes of less than \$100 are due in full in July. Supplemental motor vehicle taxes (those vehicles registered between October 2 and July 31) are due in one installment in January.

According to Connecticut General Statutes, delinquent property taxes are subject to interest at the rate of 1.5% per month (18% per annum) for all delinquent property taxes. Real estate is lien for delinquent taxes within one year after the tax due date.

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

Connecticut General Statutes Section 12-71e (the "General Statutes") has been amended whereby the mill rate for motor vehicles shall not exceed 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 4-66l of the General Statutes, diverts a portion of the state collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to motor vehicle property tax cap. The Town's motor vehicle tax rate for the assessment year commencing October 1, 2024 (fiscal year ending June 30, 2026) is 32.46 mills.

## REAL PROPERTY TAX LEVIES AND COLLECTIONS

FY Ending 6/30	Net Taxable Grand List (1)	Total Tax Rate (In Mills)		Adjusted Tax Levy	% Annual Levy Collected	Uncollected Taxes	
						End of Each Fiscal Year	As of 6/30/2024
2026	\$ 367,708,795	36.377	(2)	\$ 12,980,171	In Process	In Process	In Process
2025	370,263,012	34.364	(2)	12,389,805	In Process	In Process	In Process
2024	369,358,089	33.085	(2)	12,270,985	98.5	\$ 189,139	\$ 189,139
2023 (1)	365,691,095	32.265		11,898,802	99.0	219,957	118,586
2022	308,202,880	36.369		11,329,452	98.3	196,223	71,647
2021	305,594,167	36.836		11,336,963	98.2	206,971	45,216
2020	303,790,134	35.460		10,842,008	98.2	191,518	38,582
2019	301,252,224	34.770		10,264,163	98.2	194,778	39,824
2018 (1)	297,170,266	34.370		10,203,872	97.9	212,605	26,585
2017	298,544,696	32.370		9,742,572	98.0	169,351	25,789

(1) Revaluation year.

(2) Mill rate for Motor Vehicles was levied at 32.46 mills.

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

### TAXABLE GRAND LIST (1)

Grand List Dated	Real Property %	Personal Property %	Motor Vehicle %	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List
10/01/24	83.7	5.5	10.7	\$ 373,338,290	\$ 5,629,495	\$ 367,708,795
10/01/23	83.1	5.0	11.9	375,119,681	4,856,669	370,263,012
10/01/22	83.2	4.4	12.4	373,953,450	4,595,361	369,358,089
10/01/21 (2)	83.7	4.4	11.9	370,204,107	4,513,012	365,691,095
10/01/20	84.0	5.0	11.0	311,769,141	3,566,261	308,202,880
10/01/19	84.2	4.8	11.0	309,857,026	4,262,859	305,594,167
10/01/18	84.7	4.6	10.7	308,006,566	4,216,432	303,790,134
10/01/17	85.3	4.2	10.4	305,593,481	4,341,257	301,252,224
10/01/16 (2)	85.9	3.7	10.4	301,106,496	3,936,230	297,170,266
10/01/15	86.3	3.5	10.2	302,461,798	3,917,102	298,544,696

(1) The Grand List represents the total of assessed value for all taxable real and personal property located within the Town as of October 1 (Includes Board of Assessment Appeals). A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last revaluation (Grand List of 10/1/21). The next revaluation is scheduled for 10/1/26.

(2) Years of revaluation. (See "Assessments Practices" herein).

Source: Assessor's Office, Town of Ashford.

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## LARGEST TAXPAYERS

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Grand List Amount</u>	<u>Rank</u>	<u>Percent of Total</u>
Eversource.....	Public Utility.....	\$ 10,325,290	1	2.79
Ben Equities LLC.....	Apartments.....	2,710,190	2	0.73
Comet Equities LLC.....	Apartments.....	2,541,560	3	0.69
Ashford Hill at 95 LLC.....	Apartments.....	2,425,640	4	0.66
PAI Equities LLC.....	Apartments.....	1,940,120	5	0.52
AB Realty LLC.....	Commercial.....	1,860,110	6	0.50
NJV LLC.....	Campground.....	1,620,850	7	0.44
Knowlton Thomas E.....	Farm.....	1,192,130	8	0.32
Set Equities LLC.....	Apartments.....	1,135,680	9	0.31
Jordan Realty LLC.....	Commercial.....	1,119,930	10	0.30
Total		<u>\$ 26,871,500</u>		<u>7.26</u>

Source: Assessors Office, Town of Ashford.

## EQUALIZED NET GRAND LIST

<u>Grand List of 10/1</u>	<u>Equalized Net Grand List</u>	<u>% Growth</u>
2022	\$ 660,102,726	26.03%
2021 (1)	523,776,339	-4.05%
2020	545,880,312	8.70%
2019	502,174,333	4.04%
2018	482,676,223	6.49%
2017	453,251,481	6.29%
2016 (1)	426,435,909	-3.65%
2015	442,599,628	5.16%
2014	420,881,941	3.49%
2013	406,706,663	0.79%

(1) Years of revaluation.

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

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## V. FINANCIAL INFORMATION

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### FISCAL YEAR

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

### ACCOUNTING POLICIES

The financial statements of the Town 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. Please refer to Appendix A "Basic Financial Statements" herein for compliance and implementation details.

The reporting model includes the following segments:

*Management's Discussion and Analysis* – provides introductory information on basic financial statements and an analytical overview of the Town's financial activities.

*Government-wide financial statements* – consist of a statement of net assets and a statement of activities, which are prepared on the accrual basis of accounting. These statements distinguish between governmental activities and business-type activities and exclude fiduciary (employee retirement system and agency funds) funds. Capital assets, including infrastructure and long-term obligations are included along with current assets and liabilities.

*Fund financial statements* – provide information about the Town's governmental, proprietary and fiduciary funds. These statements emphasize major fund activity and, depending on the fund type, utilize different basis of accounting.

*Required supplementary information* – in addition to the MD&A, budgetary comparison schedules are presented for the General Fund.

Please refer to Appendix A under "Basic Financial Statements" herein for measurement focus and basis of accounting of the government-wide financial statements as well as the fiduciary fund financial statements of the Town.

### BUDGETARY PROCEDURES

Formal budgetary integration is employed by the Board of Finance. Annual operating budget requests are prepared by each department head, agency, board or commission and submitted to the Board of Selectmen. The Superintendent of Schools for the local school system submits the education budget to the Ashford Board of Education, which has the authority to increase or decrease the Superintendent's budget requests. The Ashford Board of Education's approved budget is presented to the Board of Finance and Board of Selectmen. The Board of Selectmen shall present to the Board of Finance a proposed budget for the Town's operating program and expenditures for the Town functions and Town-supported functions, other than those of the Board of Education. The Region 19 Board of Education shall hold a public hearing to present the Regional School District 19 Superintendent's proposed budget. After, one or more public hearings, the Board of Finance may increase or decrease individual line items in the budget requests for general government agencies and departments, but may increase or decrease the bottom line only for education budget requests. A Town Meeting is called for approval of the budget. The Town Meeting has the authority to decrease individual line items in the budget requests for general government agencies and departments but may decrease the bottom line only for Ashford education budget requests (the Region 19 budget cannot be approved or lowered during this meeting as it is subject to a separate region 19 referendum). The annual Town Meeting will adjourn to a referendum. If the budget is not adopted at referendum by July 1, the last budget adopted by referendum shall remain in effect for the new fiscal year until a new budget is approved at referendum.

The Board of Selectmen and Board of Education are authorized to transfer budgeted amounts within departments. The Board of Finance must approve transfers of budgeted amount between departments. The Board of Finance can approve additional appropriations for a department provided such additional appropriations do not exceed \$20,000. Appropriations in excess of \$20,000 must be submitted to a Town Meeting for approval.

Except for encumbrance accounting in the General Fund, all budgets are prepared on the modified accrual basis of accounting. Unencumbered appropriations lapse at fiscal year-end, except for capital project budgets, which remain in effect until completion.



## **MUNICIPAL BUDGET EXPENDITURE CAP**

Connecticut General Statutes Section 4-66l, as amended, 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.

## **ANNUAL AUDIT**

Pursuant to Connecticut law, the Town is required to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. For the fiscal year ended June 30, 2024, the examination was conducted by the firm of Hoyt, Filippetti & Malaghan LLC, certified public accountants, of Groton, Connecticut.

## **EMPLOYEE PENSION SYSTEMS**

### ***Defined Contribution Plan***

The Town established a single employer defined contribution plan called the Town of Ashford MPP (the "Plan") to provide retirement benefits for all of its full-time employees. Under the provisions of the Plan, all full-time employees (except those covered under a comparable employer plan) may participate. The Town is required to contribute an amount equal to 7% of employee covered payroll. Plan participants are not required to contribute to the Plan.

The Plan does not issue stand-alone financial statements and is part of the Town's financial reporting entity since the Town has trustee responsibilities related to the participant accounts which contain employer contributions. As such, the Plan is accounted for in the fiduciary fund financial statements as a pension trust fund.

Employer contributions totaled \$76,163 for the year ended June 30, 2024.

### ***Connecticut State Teachers' Retirement System***

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

***For further information on the plans, please refer to Appendix A under the Town of Ashford's "Notes to the Financial Statements, Note 17, herein.***

## **OTHER POST EMPLOYMENT BENEFITS**

The Town's Board of Education administers a single-employer defined benefit healthcare plan (the "OPEB Plan"). The OPEB Plan provides healthcare and dental insurance benefits for all eligible Board of Education retirees and spouses through the Board of Education's group healthcare and dental insurance plans. Benefits provisions are established by contract and may be amended by union negotiations each three-year bargaining period. Participants are required to contribute 100% of their healthcare and dental premiums to the Town, less any reimbursements received by the Town from the State Retirement Board. The Town pays the benefits on a pay-as-you-go-basis.

The OPEB plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

In accordance with GASB Statement No. 74, the components of the OPEB liability of the Town’s pension plan as of June 30 were as follows:

	2024	2023	2022	2021	2020
Total OPEB liability.....	\$ 436,324	\$ 440,921	\$ 947,872	\$ 894,977	\$ 788,209
Plan fiduciary net postion.....	-	-	-	-	-
Net pension liability.....	\$ 436,324	\$ 440,921	\$ 947,872	\$ 894,977	\$ 788,209
Plan fiduciary net position as a % of total pension liability.....	0.00%	0.00%	0.00%	0.00%	0.00%

The following presents the OPEB liability, determined by measurement on June 30, 2024, calculated using the discount rate of 4.07% for the OPEB liability, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease 3.07%	Current Discount Rate 4.07%	1% Increase 5.07%
Net Town OPEB Liability.....	\$ 491,062	\$ 436,324	\$ 390,654

The following presents the OPEB liability, determined by measurement on June 30, 2024, calculated using the healthcare trend rates for the OPEB liability, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net Town OPEB Liability.....	\$ 378,426	\$ 436,324	\$ 506,917

*For further information on the plans, please refer to Appendix A under the Town of Ashford’s “Notes to Financial Statements, Note 17”, herein.*

**INVESTMENT POLICIES AND PRACTICES**

Sections 7-400 and 7-402 of the Connecticut General Statutes govern the investments the Town is permitted to acquire. Generally, the Town may invest in the State’s Short Term Investment Fund, certificates of deposit, municipal notes and bonds, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government, and money market mutual funds.

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

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## PROPERTY TAX REVENUES

<b>Fiscal Year</b>	<b>General Fund Revenues</b>	<b>Property Tax Revenues</b>	<b>Property Tax as a % of General Fund Revenues</b>
2026 (1)	\$ 17,458,125	\$ 13,250,171	75.90
2025 (1)	16,481,191	12,599,805	76.45
2024	17,860,534	12,378,588	69.31
2023	17,803,412	11,895,297	66.81
2022	16,739,179	11,423,208	68.24
2021	16,616,695	11,361,665	68.37
2020	16,253,529	10,830,452	66.63
2019	16,038,396	10,592,253	66.04
2018	17,993,722	10,213,454	56.76
2017	15,069,560	9,717,373	64.48

(1) Adopted budgets.

## INTERGOVERNMENTAL REVENUES

<b>Fiscal Year</b>	<b>General Fund Revenues</b>	<b>Intergovernmental Revenues</b>	<b>Aid As a % of General Fund Revenue</b>
2026 (1)	\$ 17,458,125	\$ 3,559,930	20.39
2025 (1)	16,481,191	3,459,062	20.99
2024	17,860,534	5,021,745	28.12
2023	17,803,412	5,184,613	29.12
2022	16,739,179	4,767,411	28.48
2021	16,616,695	4,762,116	28.66
2020	16,253,529	4,914,852	30.24
2019	16,038,396	5,010,930	31.24
2018	17,993,722	4,352,678	24.19
2017	15,069,560	4,901,008	32.52

(1) Adopted budgets.

## EXPENDITURES

<b>Fiscal Year</b>	<b>Education %</b>	<b>General Government %</b>	<b>Public Works %</b>	<b>Employee Benefits and Insurance %</b>	<b>Debt Service %</b>
2026 (1)	80.76	6.95	6.47	3.65	0.25
2025 (1)	80.60	6.99	6.66	3.29	0.27
2024	79.57	5.79	6.15	3.05	0.26
2023	79.54	5.34	6.10	2.79	1.50
2022	78.78	5.70	6.29	2.92	1.55
2021	79.32	5.50	6.17	2.69	1.56
2020	80.35	5.21	5.69	2.55	1.64
2019	79.42	5.24	5.81	2.57	1.70
2018	79.75	5.45	5.72	2.65	1.91
2017	78.49	5.03	5.91	2.65	1.94

(1) Adopted budgets.

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

	Fiscal Year 2023-24			2024-25	2025-26
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	Adopted Budget	Adopted Budget
<b>REVENUES</b>					
Property taxes.....	\$ 12,176,578	\$ 12,378,159	\$ 201,581	\$ 12,599,805	\$ 13,250,171
Intergovernmental.....	3,674,825	3,823,132	148,307	3,459,062	3,559,930
Charges for services .....	159,075	238,634	79,559	180,195	164,770
Interest income.....	75,000	205,590	130,590	130,000	150,000
Other revenues.....	12,795	3,713	(9,082)	112,129	333,254
<b>TOTAL REVENUES.....</b>	<b>16,098,273</b>	<b>16,649,228</b>	<b>550,955</b>	<b>16,481,191</b>	<b>17,458,125</b>
<b>EXPENDITURES</b>					
Current:					
General government.....	1,046,860	959,274	87,586	1,077,955	1,120,404
Public safety.....	32,085	19,837	12,248	32,035	31,840
Public works.....	1,087,548	1,027,263	60,285	1,028,124	1,042,730
Health & Welfare.....	76,053	73,005	3,048	82,647	74,723
Planning & Development.....	163,497	149,928	13,569	172,403	183,130
Education.....	12,259,023	12,096,195	162,828	12,438,373	13,016,977
Employee Benefits.....	506,073	474,478	31,595	460,103	536,904
Insurance.....	46,830	35,715	11,115	48,235	50,647
Contingency.....	5,229	-	5,229	50,000	20,000
Debt service.....	43,000	43,000	-	41,800	40,600
<b>TOTAL EXPENDITURES.....</b>	<b>15,266,198</b>	<b>14,878,695</b>	<b>387,503</b>	<b>15,431,675</b>	<b>16,117,955</b>
Revenues over expenditures.....	832,075	1,770,533	938,458	1,049,516	1,340,170
<b>OTHER FINANCING SOURCES (USES)</b>					
Appropriation of fund balance.....	-	-	-		
Operating transfers in.....	-	-	-		
Operating transfers out.....	(1,721,839)	(1,721,839)	-	(1,049,516)	(1,340,170)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(1,721,839)</b>	<b>(1,721,839)</b>	<b>-</b>	<b>(1,049,516)</b>	<b>(1,340,170)</b>
Net change in budgetary fund balance.....	\$ (889,764)	\$ 48,694	\$ 938,458	\$ -	\$ -

Source: Audit Report 2024; Adopted Budgets 2025 and 2026.

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

<b>Fiscal Year Ended:</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 3,304,342	\$ 4,334,944	\$ 3,961,718	\$ 4,645,075	\$ 4,696,124
Restricted cash.....	-	13,986	14,000	14,009	14,017
Investments.....	-	-	-	50,497	52,220
Receivables net of allowance.....	627,139	720,413	727,889	824,457	859,034
Other.....	460	460	460	7,085	-
Due from other funds.....	87,356	74,847	9,131	22,485	-
<b>Total Assets.....</b>	<b>\$ 4,019,297</b>	<b>\$ 5,144,650</b>	<b>\$ 4,713,198</b>	<b>\$ 5,563,608</b>	<b>\$ 5,621,395</b>
<b>LIABILITIES</b>					
Accounts payable and accrued tems..	\$ 549,515	\$ 823,525	\$ 585,190	\$ 845,269	\$ 826,430
Unearned revenues.....	5,150	-	48,080	1,320	-
Performance bonds.....	-	13,986	14,000	14,009	14,017
Due to other funds.....	680,083	1,449,751	1,047,812	1,089,409	1,063,909
<b>Total Liabilities.....</b>	<b>1,234,748</b>	<b>2,287,262</b>	<b>1,695,082</b>	<b>1,950,007</b>	<b>1,904,356</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	573,687	653,980	634,694	745,883	791,656
<b>Total Deferred Inflows of Resources.....</b>	<b>573,687</b>	<b>653,980</b>	<b>634,694</b>	<b>745,883</b>	<b>791,656</b>
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	-	-
Restricted.....	-	-	-	-	373,465
Committed.....	141,840	250,694	341,664	315,019	199,610
Assigned.....	109,399	13,997	-	-	-
Unassigned.....	1,959,623	1,938,717	2,071,758	2,552,699	2,352,308
<b>Total Fund Balances.....</b>	<b>2,210,862</b>	<b>2,203,408</b>	<b>2,413,422</b>	<b>2,867,718</b>	<b>2,925,383</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances.....</b>	<b>\$ 4,019,297</b>	<b>\$ 5,144,650</b>	<b>\$ 4,743,198</b>	<b>\$ 5,563,608</b>	<b>\$ 5,621,395</b>

Source: Audit Reports 2020-2024.

**ANALYSIS OF GENERAL FUND EQUITY**  
(GAAP BASIS)

	<b>Actual 2018-19</b>	<b>Actual 2019-20</b>	<b>Actual 2020-21</b>	<b>Actual 2021-22</b>	<b>Actual 2022-23</b>	<b>Actual 2023-24</b>
Restricted.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 373,465
Committed.....	341,664	141,840	250,694	341,664	315,019	199,610
Assigned.....	-	109,399	13,997	-	-	-
Unassigned.....	2,071,758	1,959,623	1,938,717	2,071,758	2,552,699	2,352,308
<b>Total Fund Balance.....</b>	<b>\$ 2,413,422</b>	<b>\$ 2,210,862</b>	<b>\$ 2,203,408</b>	<b>\$ 2,413,422</b>	<b>\$ 2,867,718</b>	<b>\$ 2,925,383</b>
Total Fund Balance as % of						
Total Expenditures & Transfers.....	15.11%	13.67%	13.25%	14.57%	16.53%	16.43%

Source: Audit Reports 2019-2024.



**COMPARATIVE GENERAL FUND REVENUES AND EXPENDITURES**  
Summary of Audited Revenues and Expenditures  
**(GAAP Basis)**

<b>Fiscal Year Ended:</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Revenues</b>					
Property taxes.....	\$ 10,830,452	\$ 11,361,665	\$ 11,423,208	\$ 11,895,297	\$ 12,378,588
Intergovernmental.....	4,914,852	4,762,116	4,767,411	5,184,613	5,021,745
Local revenue.....	393,076	437,262	492,385	518,612	251,590
Interest income.....	45,144	9,590	17,076	170,493	207,315
Other.....	70,005	46,062	39,099	34,397	1,296
<b>Total Revenues.....</b>	<b>16,253,529</b>	<b>16,616,695</b>	<b>16,739,179</b>	<b>17,803,412</b>	<b>17,860,534</b>
<b>Expenditures</b>					
General government.....	822,741	884,572	920,651	892,099	967,918
Public safety.....	276,659	354,562	350,940	402,908	469,502
Public works.....	897,638	992,632	1,016,052	1,019,066	1,027,263
Health and welfare.....	50,590	49,303	51,799	53,022	54,796
Planning and development.....	160,952	167,692	161,366	170,735	160,254
Education.....	12,680,758	12,755,373	12,724,165	13,278,394	13,300,714
Library.....	231,683	194,256	171,647	159,486	182,055
Employee benefits and insurance...	401,726	431,817	471,721	466,572	510,193
Debt service.....	258,650	250,775	250,706	250,898	43,000
Capital outlay.....	-	-	32,223	-	-
<b>Total Expenditures.....</b>	<b>15,781,397</b>	<b>16,080,982</b>	<b>16,151,270</b>	<b>16,693,180</b>	<b>16,715,695</b>
Revenues over expenditures.....	472,132	535,713	587,909	1,110,232	1,144,839
<b>Other Financing Sources (Uses)</b>					
Transfer in.....	45,838	-	-	-	-
Transfer out.....	(387,753)	(543,167)	(410,118)	(655,936)	(1,087,174)
Lease liabilities issued.....	-	-	32,223	-	-
<b>Total Other Financing Sources</b>					
<b>(Uses).....</b>	<b>(341,915)</b>	<b>(543,167)</b>	<b>(377,895)</b>	<b>(655,936)</b>	<b>(1,087,174)</b>
Net change in fund balances.....	130,217	(7,454)	210,014	454,296	57,665
Fund Balance - July 1.....	2,080,645	2,210,862	2,203,408	2,413,422	2,867,718
Fund Balance - June 30.....	<u>\$ 2,210,862</u>	<u>\$ 2,203,408</u>	<u>\$ 2,413,422</u>	<u>\$ 2,867,718</u>	<u>\$ 2,925,383</u>

Source: Audit Reports 2020-2024.

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## VI. DEBT SUMMARY

### PRINCIPAL AMOUNT OF INDEBTEDNESS

As of July 22, 2025

(Pro Forma)

#### Long-Term Debt: Bonds

<u>Date of Issue</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding as of 7/22/2025</u>	<u>Fiscal Year Final Maturity</u>
<u>General Purpose</u>					
4/16/2013	Refunding - General Purpose .....	2.00 - 4.00	\$ 2,640,000	\$ 280,000	2033
			<u>\$ 2,640,000</u>	<u>\$ 280,000</u>	

#### Short-Term Debt: Notes

<u>Date of Issue</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding 7/22/2025</u>	<u>Date of Maturity</u>
<u>Schools</u>					
7/23/2024	Schools (This Issue).....	TBD	\$ 1,600,000	\$ 1,600,000	7/21/2026
	<b>Total .....</b>		<u><b>\$ 1,600,000</b></u>	<u><b>\$ 1,600,000</b></u>	

#### Other Long-Term Commitments:

Equipment Financing Note:

The Town has entered into two equipment financing notes for the acquisition of an excavator and a fire truck.

<u>Fiscal Year June 30:</u>	<u>Principal Only</u>
2026	\$ 78,175
Total Equipment Financing Note...	<u>\$ 78,175</u>

Leases Payable:

The Town has entered into various leases for copiers and printers.

<u>Fiscal Year June 30:</u>	<u>Principal Only</u>
2026	\$ 11,986
2027	3,984
Total Leases.....	<u>\$ 15,970</u>

### SCHOOL BUILDING GRANT REIMBURSEMENTS

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996. State grants will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its bonds only for the net share of project costs. Under the current program, the State of Connecticut will make proportional progress payments for eligible construction costs during certain phases of construction.

The following projects are being reimbursed at the estimated reimbursement rate shown below:

<u>Project</u>	<u>Amount of Total Authorization</u>	<u>Estimated Eligible Cost For Reimbursement</u>	<u>Reimbursement Rate (%)</u>	<u>Estimated Grant (1)</u>
Ashford School Roof Replacement Project....	\$ 5,000,000	\$ 4,000,000	65.36	\$ 2,614,400

(1) Estimated grants for total project. Eligible costs to be determined upon completion of the project audit and are likely to change.

**SCHEDULE OF LONG-TERM DEBT THROUGH MATURITY**

As of July 22, 2025

(Pro Forma)

<b>Fiscal Year</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Debt Service</b>
2026	\$ 30,000	\$ 10,600	\$ 40,600
2027	30,000	9,400	39,400
2028	35,000	8,100	43,100
2029	35,000	6,700	41,700
2030	35,000	5,300	40,300
2031	35,000	3,900	38,900
2032	40,000	2,400	42,400
2033	40,000	800	40,800
	<u>\$ 280,000</u>	<u>\$ 47,200</u>	<u>\$ 327,200</u>

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

**OVERLAPPING AND UNDERLYING INDEBTEDNESS**

The Town is a member of Regional School District Number 19, along with the Towns of Mansfield and Willington. The below represents the Town's overlapping debt.

<b>Amount of Outstanding Debt (1)</b>	<b>Applicable % of Net Debt Charged to Town</b>	<b>Town Net Overlapping Debt (1)</b>
\$ 1,235,000	19.660%	\$ 242,801

(1) As of July 22, 2025.

The Town has no underlying debt.

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## DEBT STATEMENT

As of July 22, 2025

(Pro Forma)

### Long-Term Indebtedness (1)

General Purpose.....	\$ 280,000
Schools .....	-

**Total Long-Term Indebtedness.....** 280,000

### Short-Term Indebtedness

The Notes (This Issue).....	1,600,000
-----------------------------	-----------

**Total Direct Indebtedness** 1,880,000

**Exclusions: (School building grants receivable).....** -

**Total Net Direct Indebtedness.....** 1,880,000

**Total Underlying and Net Overlapping Indebtedness (2).....** 242,801

**Total Net Direct and Net Overlapping Indebtedness.....** \$ 2,122,801

(1) Does not include authorized but unissued debt in the amount of \$1,660,292. See "Authorized but Unissued Debt" herein.

(2) Represents the Town's share of Regional School District Number 19 Net Direct Indebtedness. The percentage of participation for the 2025-26 Fiscal Year was 19.66%.

## CURRENT DEBT RATIOS

As of July 22, 2025

(Pro Forma)

Total Direct Indebtedness.....	\$ 1,880,000
Total Net Direct Indebtedness.....	\$ 1,880,000
Total Net Direct and Net Overlapping Indebtedness.....	\$ 2,122,801

Population (1).....	4,220
Net Taxable Grand List (10/1/24).....	\$ 367,708,795
Estimated Full Value.....	\$ 525,298,279
Equalized Net Taxable Grand List (2022) (2).....	\$ 660,102,726
Per Capita Income (2023) (1).....	\$ 60,903

### Total Direct Indebtedness:

Per Capita.....	\$445.50
To Net Taxable Grand List .....	0.51%
To Estimated Full Value .....	0.36%
To Equalized Net Taxable Grand List.....	0.28%
Per Capita to Per Capita Income.....	0.73%

### Total Net Direct Indebtedness:

Per Capita.....	\$445.50
To Net Taxable Grand List.....	0.51%
To Estimated Full Value.....	0.36%
To Equalized Net Taxable Grand List.....	0.28%
Per Capita to Per Capita Income.....	0.73%

### Total Net Direct and Net Overlapping Indebtedness:

Per Capita.....	\$503.03
To Net Taxable Grand List.....	0.58%
To Estimated Full Value.....	0.40%
To Equalized Net Taxable Grand List.....	0.32%
Per Capita to Per Capita Income.....	0.83%

(1) U.S. Census Bureau, 2019-2023 American Community Survey.

(2) Office of Policy and Management, State of Connecticut.

## LEGAL REQUIREMENTS FOR APPROVAL OF BORROWING

The Town has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the authorization by the Town's voters at a Special Town Meeting or referendum. Refunding bonds may be issued upon resolution of the Board of Selectmen.

### TEMPORARY FINANCING

When general obligation bonds have been authorized, bond anticipation notes may be issued. Bond anticipation 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 such notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third year and for each subsequent year during which such notes remain outstanding, in an amount equal to a minimum of 1/20<sup>th</sup> (1/30<sup>th</sup> for sewer projects, certain school projects and in certain instances, refundings) of the estimated net project cost (CGS Sec. 7-378a). The maximum term of the bond issue is reduced by the amount of time temporary financing exceeds two years.

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

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

### LIMITATION OF INDEBTEDNESS

Municipalities shall not incur indebtedness through the issuance of bonds or notes which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Pension Liability Purposes:	3.00 times annual receipts from taxation

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

Section 7-374 of the Connecticut General Statutes also provides for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

# STATEMENT OF STATUTORY DEBT LIMITATION

As of July 22, 2025

(Pro Forma)

Total Receipts for fiscal year ended June 30, 2024

(including interest and lien fees)

\$ 12,380,767

State Reimbursement for Revenue Loss on:

Tax Relief for Elderly

-

Base for Establishing Debt Limit

\$ 12,380,767

Debt Limitation	General Purpose	Schools	Sewers	Urban Renewal	Past Pension	Total Debt
(2.25 times base).....	\$ 27,856,726					
(4.50 times base).....		\$ 55,713,452				
(3.75 times base).....			\$ 46,427,876			
(3.25 times base).....				\$ 40,237,493		
(3.00 times base).....					\$ 37,142,301	
(7.00 times base).....						\$ 86,665,369
<b>Indebtedness (Including the Notes)</b>						
Bonds Payable.....	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ 280,000
The Notes (This Issue).....	-	1,600,000	-	-	-	1,600,000
Overlapping and						
Underlying Debt (1).....	-	242,801	-	-	-	242,801
Authorized but						
Unissued Debt.....	-	1,000,000	-	-	-	1,000,000
Total Indebtedness.....	280,000	2,842,801	-	-	-	3,122,801
Less:						
School grants receivable (2)....	-	-	-	-	-	-
Total Net Indebtedness.....	280,000	2,842,801	-	-	-	3,122,801
Excess of Limit Over						
Outstanding and						
Authorized Debt.....	\$ 27,576,726	\$ 52,870,651	\$ 46,427,876	\$ 40,237,493	\$ 37,142,301	\$ 83,542,568

- (1) Represents the Town's share of Regional School District Number 19 Net Direct Indebtedness. The percentage of participation for the 2025-26 Fiscal Year was 19.66%.
- (2) It is estimated that the Town will receive State of Connecticut School Construction grant progress payments in the amount of \$2,614,400 during the construction of the project. As of July 22, 2025, the Town has received \$1,739,708 progress payments. (See "School Projects" and "Authorized but Unissued Debt" herein).

## AUTHORIZED BUT UNISSUED DEBT

As of July 22, 2025

(Pro Forma)

Projects	Amount Authorized	Notes Maturing July 22, 2025	Paydowns/ Grants	The Notes (This Issue)	Authorized But Unissued
Ashford School Roof Replacement Project (1).....	\$ 5,000,000	\$ 4,000,000	\$2,400,000	\$ 1,600,000	\$ 1,000,000

- (1) It is estimated that the Town will receive State of Connecticut School Construction grant progress payments in the amount of \$2,614,400 during the construction of the project. As of July 22, 2025, the Town has received \$1,739,708 in progress payments. (See "School Projects" herein).

Source: Town of Ashford, Finance Office.

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## HISTORICAL DEBT STATEMENT

Fiscal Years Ending June 30

	2024-25 (1)	2023-24	2022-23	2021-22	2020-21
Population (2).....	4,220	4,220	4,220	4,220	4,220
Net taxable grand list.....	\$ 370,263,012	\$ 369,358,089	\$ 365,691,095	\$ 308,202,880	\$ 305,594,167
Estimated full value.....	\$ 528,947,160	\$ 527,654,413	\$ 522,415,850	\$ 440,289,829	\$ 436,563,096
Equalized net taxable grand list (3).....	\$ 660,102,726	\$ 660,102,726	\$ 523,776,339	\$ 545,880,312	\$ 502,174,333
Per capita income (2).....	\$ 60,903	\$ 60,903	\$ 60,903	\$ 60,903	\$ 60,903
Short-term debt - Financing Notes.....	\$ 4,078,175	\$ 184,184	\$ 288,352	\$ 390,747	\$ -
Long-term debt.....	\$ 280,000	\$ 310,000	\$ 340,000	\$ 560,000	\$ 780,000
Total Direct Indebtedness.....	\$ 4,358,175	\$ 494,184	\$ 628,352	\$ 950,747	\$ 780,000
Net Direct Indebtedness.....	\$ 4,358,175	\$ 494,184	\$ 628,352	\$ 950,747	\$ 780,000
Net Overlapping Indebtedness.....	\$ 229,463	\$ 267,284	\$ 299,825	\$ 1,376,474	\$ 1,060,282
Total Net Direct and Net Overlapping Indebtedness.....	\$ 4,587,638	\$ 761,468	\$ 928,177	\$ 2,327,221	\$ 1,840,282

(1) Unaudited Estimates.

(2) U.S. Census Bureau, 2019-2023 American Community Survey.

(3) Office of Policy and Management, State of Connecticut.

Source: Annual Audited Financial Statements 2021-2024.

## HISTORICAL DEBT RATIOS

Fiscal Year Ending June 30

	2024-25 (1)	2023-24	2022-23	2021-22	2020-21
<b>Total Direct Indebtedness:</b>					
Per capita.....	\$1,032.74	\$117.11	\$148.90	\$225.30	\$184.83
To net taxable grand list.....	1.18%	0.13%	0.17%	0.31%	0.26%
To estimated full value.....	0.82%	0.09%	0.12%	0.22%	0.18%
To equalized net taxable grand list.....	0.66%	0.07%	0.12%	0.17%	0.16%
Debt per capita to per capita income.....	1.70%	0.19%	0.24%	0.37%	0.30%
<b>Net Direct Indebtedness:</b>					
Per capita.....	\$1,032.74	\$117.11	\$148.90	\$225.30	\$184.83
To net taxable grand list.....	1.18%	0.13%	0.17%	0.31%	0.26%
To estimated full value.....	0.82%	0.09%	0.12%	0.22%	0.18%
To equalized net taxable grand list.....	0.66%	0.07%	0.12%	0.17%	0.16%
Debt per capita to per capita income.....	1.70%	0.19%	0.24%	0.37%	0.30%
<b>Net Direct and Net Overlapping Indebtedness:</b>					
Per capita.....	\$1,087.12	\$180.44	\$219.95	\$551.47	\$436.09
To net taxable grand list.....	1.24%	0.21%	0.25%	0.76%	0.60%
To estimated full value.....	0.87%	0.14%	0.18%	0.53%	0.42%
To equalized net taxable grand list.....	0.69%	0.12%	0.18%	0.43%	0.37%
Debt per capita to per capita income.....	1.78%	0.30%	0.36%	0.91%	0.72%

(1) Unaudited Estimates.

Source: Annual Audited Financial Statements 2021-2024.

# **RATIO OF DEBT SERVICE TO TOTAL EXPENDITURES AND TRANSFERS OUT**

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures and Transfers out</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures and Transfers Out %</b>
2026 (1)	\$ 40,600	\$ 17,458,125	0.23%
2025 (1)	41,800	16,481,191	0.25%
2024	43,000	17,802,869	0.24%
2023	250,898	17,349,116	1.45%
2022	250,706	16,561,388	1.51%
2021	250,775	16,624,149	1.51%
2020	258,650	16,169,150	1.60%
2019	266,525	15,968,231	1.67%
2018	278,350	15,072,858	1.85%
2017	284,100	14,812,126	1.92%

(1) Adopted Budgets.

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## **VII. LEGAL AND OTHER LITIGATION**

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### **LITIGATION**

The Town of Ashford, its officers, employees, boards and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings and other miscellaneous claims. It is the Town Attorney's opinion that such pending litigation will not be finally determined, individually or in the aggregate, so as to result in final judgments against the Town which would have a material adverse effect on the Town's financial position.

### **MUNICIPAL ADVISOR**

The Town has retained Munistat Services, Inc. (the "Municipal Advisor") to serve as its municipal advisor in connection with the issuance of the Notes. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy.

### **DOCUMENTS ACCOMPANYING DELIVERY OF THE NOTES**

Upon delivery of the Notes, the winning bidder(s) will be furnished with the following:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Notes or the levy or collection of taxes to pay them;
2. A certificate on behalf of the Town, signed by the First Selectman and the Town Treasurer, which will be dated the date of delivery and which will certify to the best of said officials' knowledge and belief, that at the time bids were accepted on the Notes, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact, necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement;
3. The approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut substantially in the form attached hereto as Appendix B;
4. An executed Continuing Disclosure Agreement for the Notes in substantially the form attached hereto as Appendix C;
5. A receipt for the purchase price of the Notes;
6. Within seven business days of the bid opening, the Town will furnish the winning bidders(s) of the Notes a reasonable number of copies of the Official Statement, as prepared by the Town

A record of the proceedings taken by the Town in authorizing the Notes will be kept on file at the principal office of U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum St., 27th Floor, Hartford, Connecticut, and will be available for examination upon reasonable request.

*[The remainder of this page intentionally left blank]*

## CONCLUDING STATEMENT

Additional information concerning the Town and this issue may be obtained upon request from the Treasurer Office at (860) 487-4405 or from Municipal Advisor at (203) 421-2087.

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

This Official Statement has been duly authorized and approved by the Town and duly executed and delivered on its behalf by the Town.

### TOWN OF ASHFORD, CONNECTICUT

By: \_\_\_\_\_

Cathryn E. Silver-Smith, *First Selectman*

By: \_\_\_\_\_

Sherri Soucy, *Treasurer*

**Dated as of June 27, 2025**

## APPENDIX A - FINANCIAL STATEMENTS

### TOWN OF ASHFORD, CONNECTICUT

#### TABLE OF CONTENTS

JUNE 30, 2024

	<u>Page</u>
<i>Independent Auditors' Report</i>	1
<i>Management Discussion and Analysis</i>	4
<i>Basic Financial Statements:</i>	
Statement of Net Position	12
Statement of Activities	13
Balance Sheet – Governmental Funds	14
Reconciliation of Balance Sheet of Governmental Funds to Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities	17
Fiduciary Funds – Statement of Fiduciary Net Position	18
Fiduciary Funds – Statement of Changes in Fiduciary Net Position	19
Notes to Financial Statements	20
<i>Required Supplementary Information</i>	55

**Appendix A - Financial Statements** - is taken from the Annual Financial Report of the Town of Ashford for the Fiscal Year ending June 30, 2024 as presented by the Auditors and does not include all of the schedules or management letter made in such report. A copy of the complete report is available upon request to the Treasurer, Town of Ashford, Connecticut.

## INDEPENDENT AUDITORS' REPORT

To the Board of Finance  
Town of Ashford, 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 Town of Ashford, Connecticut (the "Town") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Correction of Error*

As discussed in *Note 16* to the financial statements, the Town's fund equity and net position have been restated to properly include deferred inflows of resources and other in accordance with accounting principles generally accepted in the United States of America. Our auditors' opinions were not modified with respect to the restatements.

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

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

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



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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (pages 4-11), budgetary comparison information (pages 55-63), The Connecticut Teachers Retirement System schedule (page 64), and other post-employment benefit schedules (pages 65-66), be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining financial statements, supplementary schedule, Report of the Property Tax Collector, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Expenditures of State Financial Assistance as required by the Connecticut Single Audit Act are presented for purposes of additional analysis and are not a required part of the 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, supplementary schedule, Report of the Property Tax Collector, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Financial Assistance are fairly stated, in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2025, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*Hoyt, Filippetti & Malaghan, LLC*

Groton, Connecticut

January 9, 2025

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **TOWN OF ASHFORD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024**

Our discussion and analysis of Town of Ashford, Connecticut's (the "Town") financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Town's financial statements, which begin with the Government Wide Statement of Net Position on page 12.

## **FINANCIAL HIGHLIGHTS**

The following are the Town's significant financial highlights for the year ended June 30, 2024:

- Total net position *increased* by \$1,491,038 from operations.
- Total fund balance *decreased* by \$1,391,050. This is net of a \$57,665 *increase* in the General Fund, a \$1,396,944 *decrease* in the Capital Nonrecurring Fund, a \$105,283 *decrease* in the Small Cities Grant Program Fund and an overall \$53,512 *increase* in total Nonmajor Governmental Funds.
- At June 30, 2024, the General Fund's unassigned fund balance of \$2,352,308 is approximately 80% of that fund's total fund balance of \$2,925,383 and 14% of total actual General Fund budgetary expenditures of \$16,600,534.
- The Town had a final fiscal-year 2024 expenditure budget totaling \$16,988,037 (including additional appropriations of \$889,764). Total revenues came in \$550,955 *ahead* of budget. Total expenditures came in \$387,503 *under* budget.

## **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start with the Governmental Funds Balance Sheet. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the Town government.

# **TOWN OF ASHFORD, CONNECTICUT MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024**

## **Reporting the Town as a Whole**

Our analysis of the Town as a whole begins with the Statement of Net Position (Table 1). One of the most important questions asked about the Town’s finances is, “Is the Town as a whole better off or worse off as a result of the year’s activities?” The Statement of Net Position and the Statement of Activities (Table 2) report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Town’s *net position* and changes in them. You can think of the Town’s net position—the difference between assets and liabilities—as one way to measure the Town’s financial health, or *financial position*. Over time, *increases* or *decreases* in the Town’s net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town’s property tax base and the condition of the Town’s roads, to assess the *overall health* of the Town. In the Statement of Net Position and the Statement of Activities, the Town shows the following activity:

- Governmental activities—The Town’s basic services are reported here, including education, public works, public safety and general government. Property taxes, state and federal grants and local revenues such as fees and licenses finance most of these activities.

## **Reporting the Town’s Most Significant Funds**

Our analysis of the Town’s major funds begins in the section titled “The Town’s Funds”. The fund financial statements provide detailed information about the most significant funds—not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Board of Finance establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town’s uses governmental funds to report on all its funds:

- *Governmental funds*—The Town’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Town’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town’s programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation following the fund financial statements.

**TOWN OF ASHFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**The Town as a Whole – Governmental Activities – Statement of Net Position**

**Table 1 - Net Position**

	Governmental Activities		Increase (Decrease)
	2024	2023	
Current and other assets	\$ 8,849,613	\$ 7,804,483	\$ 1,045,130
Capital assets, net	17,115,425	15,544,234	1,571,191
Deferred outflows of resources	10,075	11,346	(1,271)
Total assets and deferred outflows of resources	<u>\$ 25,975,113</u>	<u>\$ 23,360,063</u>	<u>\$ 2,615,050</u>
Other liabilities	\$ 2,953,026	\$ 1,711,059	\$ 1,241,967
Long-term debt outstanding	1,060,401	1,229,040	(168,639)
Total liabilities	<u>4,013,427</u>	<u>2,940,099</u>	<u>1,073,328</u>
Net position			
Net investment in capital assets	16,528,490	14,812,728	1,715,762
Restricted - nonexpendable	81,000	81,000	-
Restricted - expendable	1,705,127	1,410,258	294,869
Unrestricted	3,647,069	4,166,662	(519,593)
Total net position	<u>21,961,686</u>	<u>20,470,648</u>	<u>1,491,038</u>
Total liabilities and net position	<u>\$ 25,975,113</u>	<u>\$ 23,410,747</u>	<u>\$ 2,564,366</u>

As indicated in Table 2 – Change in Net Position, the net position of the Town's Governmental Activities *increased* \$1,491,038 from operations from a year ago. Current and other assets in Governmental Activities *increased* \$1,045,130 from the prior year, primarily due to an increase in receivables, specifically amounts due from the State of Connecticut for reimbursements of school roof costs. Capital assets *increased* by \$1,571,191 primarily due to the capitalization of those school roofing costs as construction in process. Long-term debt outstanding in Governmental Activities *decreased* \$168,639 from scheduled debt service on bonds, notes, and leases, as well as decreases in the balances of compensated absences and OPEB obligations.



# TOWN OF ASHFORD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

## The Town as a Whole – Combined Statement of Activities

**Table 2 - Change in Net Position**

	Governmental Activities		Increase (Decrease)
	2024	2023	
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 439,999	\$ 644,248	\$ (204,249)
Operating grants and contributions	6,050,187	6,427,220	(377,033)
Capital grants and contributions	1,465,448	815,880	649,568
General revenues:			
Property taxes, interest, and liens	12,424,361	12,006,486	417,875
Unrestricted grants and contributions	24,281	323,678	(299,397)
Unrestricted interest and investment earnings	210,076	172,104	37,972
Other	-	88,016	(88,016)
Total revenues	<u>20,614,352</u>	<u>20,477,632</u>	<u>136,720</u>
<b>Program expenses</b>			
General government	1,991,744	1,332,018	659,726
Public safety	561,352	501,202	60,150
Public works	1,387,884	1,535,668	(147,784)
Health and welfare	145,486	143,930	1,556
Planning and development	272,712	246,871	25,841
Education	14,413,775	14,224,743	189,032
Library	187,054	164,485	22,569
Recreation	152,736	206,115	(53,379)
Interest on long-term debt	10,571	17,471	(6,900)
Total expenses	<u>19,123,314</u>	<u>18,372,503</u>	<u>750,811</u>
Change in net position	1,491,038	2,105,129	(614,091)
Net position, beginning of year	20,470,648	18,365,519	2,105,129
Net position, end of year	<u>\$ 21,961,686</u>	<u>\$ 20,470,648</u>	<u>\$ 1,491,038</u>

As mentioned earlier, the Town's net position *increased* by \$1,491,038 from the prior year. A primary factor in this increase was the start of the school roof replacement project. For the year ended June 30, 2024, the Town incurred costs relating to this project totaling approximately \$1,700,000, all of which were capitalized as construction in process. In addition, the Town recognized reimbursement grant revenue related to this project of approximately \$1,100,000 which effectively offsets Education expenses on the Statement of Activities.

## Governmental Activities – Total and Net Cost of Activities

The schedule below presents the cost of each of the Town's governmental programs as well as each governmental program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions:

# TOWN OF ASHFORD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

## Governmental Activities – Total and Net Cost of Activities (*Continued*)

**Table 3 - Total and Net Cost of Services**

	Total Cost of Services	Net Cost (Revenue) of Services
<b>Governmental Activities</b>		
General government	\$ 1,991,744	\$ 1,259,835
Public safety	561,352	556,121
Public works	1,387,884	1,010,265
Health and welfare	145,486	99,790
Planning and development	272,712	170,644
Education	14,413,775	7,759,070
Library	187,054	180,433
Recreation	152,736	120,951
Interest on long-term debt	10,571	10,571
Totals	<u>\$ 19,123,314</u>	<u>\$ 11,167,680</u>

As previously mentioned, the approximately \$1,100,000 of roof project reimbursement grant revenues recognized during the year is reflected as a reduction of the cost of Education expenses to a net cost reported of \$7,759,070. The actual costs of the roof project have been capitalized as construction in process within capital assets reported in the Statement of Net Position.

## THE TOWN'S FUNDS

While the year showed a \$1,491,038 *increase* in net position from operations, it also showed a \$1,391,050 *decrease* in total fund balance in the governmental funds as presented in governmental funds financial statements. The difference in the amounts is primarily from the treatment of long-term debt and capital assets, as well as deferred inflows. In the fund financial statements, debt issuances are an increase in fund balance and principal payments on long-term debt are a reduction in fund balance when the payments on the debt are made. Debt payments are never a direct reduction in net position on the government-wide statements. Likewise, purchases of capital assets are reduction in fund balance when the purchase is made. Capital asset purchases are never a direct reduction in net position on the government-wide statements.

The significant *decrease* in fund balance is due to capital outlay in the Capital Projects fund, including expenditures for construction in process (roof replacement project), the purchase of a bus and van, as well as road improvements. These expenditures, totaling over \$2,100,000 reduce fund balance in the governmental funds financial statements, but are reported as capital assets in the government-wide statement of net position.

# TOWN OF ASHFORD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

## General Fund Budgetary Highlights

Over the course of the year, the Board of Finance can revise the Town's budget with additional appropriations and budget transfers. Additional appropriations increase the total budget. The Board of Finance is allowed by State Statute to make one additional appropriation up to \$20,000 per line item or department. A second additional appropriation or an appropriation over \$20,000 requires a Town Meeting. Transfers do not increase the total budget, but instead pull appropriations for one department that needs additional funding from other departments that might have excess funding. State Statutes allow these transfers to be made by the Board of Finance without a Town Meeting. Below is a summarized view of the final budget and actual results for the General Fund:

**Table 4 - General Fund - Budget Summary - Budgetary Basis**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenues</b>			
Property Taxes	\$ 12,176,578	\$ 12,378,159	\$ 201,581
State of Connecticut	3,674,825	3,823,132	148,307
Other Revenues	246,870	447,937	201,067
<b>Total Revenues</b>	<u>16,098,273</u>	<u>16,649,228</u>	<u>550,955</u>
<b>Expenditures</b>			
General Government	1,046,860	959,274	87,586
Public Safety	32,085	19,837	12,248
Public Works	1,087,548	1,027,263	60,285
Civil and Cultural	76,053	73,005	3,048
Planning and Zoning	163,497	149,928	13,569
Education	12,259,023	12,096,195	162,828
Benefits and Insurance	552,903	510,193	42,710
Debt and Sundry	48,229	43,000	5,229
Capital Outlay	1,721,839	1,721,839	-
<b>Total Expenditures</b>	<u>16,988,037</u>	<u>16,600,534</u>	<u>387,503</u>
<b>Increase (Decrease) in Fund Balance</b>	<u>\$ (889,764)</u>	<u>\$ 48,694</u>	<u>\$ 938,458</u>

Better than expected revenues and lower spending changed a budgeted *decrease* in fund balance, (budgetary basis), of \$889,764 to an *increase* of \$48,694.

Additional appropriations made during the fiscal year ended June 30, 2024 totaled \$889,764. Of this amount, \$872,963 were transfers to the Capital Nonrecurring fund and \$16,801 was a transfer to the Recreation Fund.

# TOWN OF ASHFORD, CONNECTICUT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of this year, the Town had \$26,899,622 invested in government activity capital assets as shown in Table 5:

**Table 5 - Capital Assets**

	<b><u>Governmental Activities</u></b>
Land and land development rights	\$ 1,612,327
Construction in progress	1,748,705
Buildings and improvements	15,052,230
Machinery, equipment, and vehicles	5,380,037
Infrastructure	3,035,949
Right of use equipment	70,374
Totals	<b><u>\$ 26,899,622</u></b>

This amount represents a net *increase* (including additions and deductions) of \$2,179,366 from last year. The significant capital additions for the year included construction in process for a new school roof, vehicles and major road improvements. More detailed information about the Town's capital assets is presented in the notes to the financial statements.

### Debt

At year end, the Town had \$1,060,401 in long-term liabilities outstanding as shown in Table 6:

**Table 6 - Long-term Liabilities**

	<b><u>Governmental Activities</u></b>
General obligation bonds	\$ 310,000
Unamortized bond premium	62,318
Equipment financing notes	184,184
Leases payable	30,433
Compensated absences	37,142
OPEB obligation	436,324
Totals	<b><u>\$ 1,060,401</u></b>

More detailed information about the Town's long-term liabilities is presented in the notes to the financial statements.

**TOWN OF ASHFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

At a referendum held on April 23, 2024, the Town approved a total budget for fiscal year 2024-2025 of \$21,006,913 using a mil rate of 34.36 for real estate and personal property and 32.46 for motor vehicles. The total budget consists of \$4,042,818 for general government, \$4,525,722 for capital improvements, \$3,799,679 for Regional School District No. 19, and \$8,638,694 for elementary school education.

**Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Finance at the Town of Ashford, Connecticut, 5 Town Hall Road, Ashford, CT 06278.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

	GOVERNMENTAL ACTIVITIES
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 5,083,900
Restricted cash	14,017
Certificates of deposit	127,495
Receivables, net	3,612,834
Inventories	7,667
Prepaid expenses	3,700
Capital assets	
Non-depreciable	3,361,032
Depreciable, net	13,754,393
Total assets	<hr/> 25,965,038 <hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	10,075
Total deferred outflows of resources	<hr/> 10,075
Total assets and deferred outflows of resources	<hr/> \$ 25,975,113 <hr/>

**LIABILITIES AND NET POSITION**

LIABILITIES	
Accounts payable and accrued items	\$ 2,604,349
Accrued interest payable	4,650
Unearned revenue	330,010
Performance bonds	14,017
Noncurrent liabilities	
Due within one year	166,354
Due in more than one year	894,047
Total liabilities	<hr/> 4,013,427 <hr/>
NET POSITION	
Invested in capital assets, net of related debt	16,528,490
Restricted - nonexpendable	81,000
Restricted - expendable	1,705,127
Unrestricted	3,647,069
Total net position	<hr/> 21,961,686 <hr/>
Total liabilities and net position	<hr/> \$ 25,975,113 <hr/>

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



**TOWN OF ASHFORD, CONNECTICUT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

Functions / Programs	Program Revenue			Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions		
GOVERNMENTAL ACTIVITIES					
General government	\$ (1,991,744)	\$ 140,742	\$ 591,167	\$ -	\$ (1,259,835)
Public safety	(561,352)	5,231	-	-	(556,121)
Public works	(1,387,884)	9,927	-	367,692	(1,010,265)
Health and welfare	(145,486)	24,648	21,048	-	(99,790)
Planning and development	(272,712)	102,068	-	-	(170,644)
Education	(14,413,775)	120,419	5,436,530	1,097,756	(7,759,070)
Library	(187,054)	5,179	1,442	-	(180,433)
Recreation	(152,736)	31,785	-	-	(120,951)
Interest on long-term debt	(10,571)	-	-	-	(10,571)
Total governmental activities	<u>\$ (19,123,314)</u>	<u>\$ 439,999</u>	<u>\$ 6,050,187</u>	<u>\$ 1,465,448</u>	<u>(11,167,680)</u>
GENERAL REVENUES					
Property taxes, interest, and liens					12,424,361
Unrestricted grants and contributions					24,281
Unrestricted interest and investment earnings					210,076
Total general revenues					<u>12,658,718</u>
Change in net position					1,491,038
NET POSITION, beginning of year					<u>20,470,648</u>
NET POSITION, end of year					<u>\$ 21,961,686</u>

The accompanying notes are an integral part of these financial statements

**TOWN OF ASHFORD, CONNECTICUT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2024**

**ASSETS**

	GENERAL FUND	CAPITAL NONRECURRING FUND	SMALL CITIES GRANT PROGRAM FUND	ARPA GRANT FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
ASSETS						
Cash and cash equivalents	\$ 4,696,124	\$ 129,109	\$ 73,470	\$ -	\$ 185,197	\$ 5,083,900
Restricted cash	14,017	-	-	-	-	14,017
Certificates of deposit	52,220	-	-	-	75,275	127,495
Receivables, net	859,034	1,579,496	1,150,560	-	23,744	3,612,834
Inventories	-	-	-	-	7,667	7,667
Due from other funds	-	545,323	-	286,463	241,642	1,073,428
Prepaid expenditures	-	-	-	-	3,700	3,700
Total current assets	\$ 5,621,395	\$ 2,253,928	\$ 1,224,030	\$ 286,463	\$ 537,225	\$ 9,923,041

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

LIABILITIES						
Accounts payable and accrued items	\$ 826,430	\$ 1,681,719	\$ 34,702	\$ 12,948	\$ 48,550	\$ 2,604,349
Unearned revenue	-	-	-	273,515	56,495	330,010
Performance bonds	14,017	-	-	-	-	14,017
Due to other funds	1,063,909	-	-	-	9,519	1,073,428
Total current liabilities	1,904,356	1,681,719	34,702	286,463	114,564	4,021,804
DEFERRED INFLOWS OF RESOURCES						
Revenue - unavailable	791,656	1,579,496	-	-	-	2,371,152
Total deferred inflows of resources	791,656	1,579,496	-	-	-	2,371,152
Total liabilities and deferred inflows of resources	2,696,012	3,261,215	34,702	286,463	114,564	6,392,956
FUND BALANCES						
Nonspendable	-	-	1,150,560	-	92,367	1,242,927
Restricted	373,465	-	38,768	-	142,334	554,567
Committed	199,610	458,185	-	-	-	657,795
Assigned	-	-	-	-	187,960	187,960
Unassigned	2,352,308	(1,465,472)	-	-	-	886,836
Total fund balances	2,925,383	(1,007,287)	1,189,328	-	422,661	3,530,085
Total liabilities, deferred inflows of resources and fund balances	\$ 5,621,395	\$ 2,253,928	\$ 1,224,030	\$ 286,463	\$ 537,225	\$ 9,923,041

The accompanying notes are an integral part of these financial statements

**TOWN OF ASHFORD, CONNECTICUT  
RECONCILIATION OF THE BALANCE SHEET  
OF THE GOVERNMENTAL FUNDS TO THE  
GOVERNMENT-WIDE STATEMENT OF NET POSITION  
JUNE 30, 2024**

Total fund balances for governmental funds		\$ 3,530,085
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		17,115,425
Other assets are not available to pay for current-period expenditures and therefore, are deferred in the funds.		
Deferred outflows - deferred charge on refunding		10,075
Deferred inflows of resources - unavailable revenues		2,371,152
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position:		
General obligation bonds	(310,000)	
Unamortized bond premium	(62,318)	
Accrued interest	(4,650)	
Equipment financing notes	(184,184)	
Leases payable	(30,433)	
Compensated absences	(37,142)	
Other post employment benefits liability	(436,324)	
		(1,065,051)
Net position of governmental activities		<u>\$ 21,961,686</u>

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

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	CAPITAL		SMALL CITIES		ARPA	NONMAJOR	TOTAL
	GENERAL FUND	NONRECURRING FUND	GRANT PROGRAM FUND	FUND			
<b>REVENUES</b>							
Property taxes, interest, lien fees	\$ 12,378,588	\$ -	-	-	\$ -	-	\$ 12,378,588
Intergovernmental revenues	5,021,745	220,375	-	-	380,472	796,612	6,419,204
Local revenue	251,590	-	-	-	-	177,685	429,275
Investment income	207,315	64	-	-	-	4,422	211,801
Miscellaneous revenue	1,296	19,885	-	-	-	11,320	32,501
Total revenues	17,860,534	240,324	-	-	380,472	990,039	19,471,369
<b>EXPENDITURES</b>							
Current							
General government	967,918	-	-	-	129,504	12,270	1,109,692
Public safety	469,502	-	-	-	-	-	469,502
Public works	1,027,263	-	-	-	-	29,542	1,056,805
Health, welfare and sanitation	54,796	-	84,235	-	9,150	91,590	239,771
Planning and development	160,254	-	21,048	-	47,800	-	229,102
Education	13,300,714	-	-	-	-	878,101	14,178,815
Recreation	-	-	-	-	-	139,235	139,235
Library	182,055	-	-	-	-	-	182,055
Employee benefits and insurance	510,193	-	-	-	-	-	510,193
Debt service							
Principal	30,000	104,168	-	-	-	-	134,168
Interest and fiscal charges	13,000	6,177	-	-	-	-	19,177
Capital outlay	-	2,399,886	-	-	194,018	-	2,593,904
Total expenditures	16,715,695	2,510,231	105,283	-	380,472	1,150,738	20,862,419
Excess (deficiency) of revenues over expenditures	1,144,839	(2,269,907)	(105,283)	-	-	(160,699)	(1,391,050)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	872,963	-	-	-	214,211	1,087,174
Transfers out	(1,087,174)	-	-	-	-	-	(1,087,174)
Total other financing sources (uses)	(1,087,174)	872,963	-	-	-	214,211	-
Net changes in fund balances	57,665	(1,396,944)	(105,283)	-	-	53,512	(1,391,050)
FUND BALANCES, beginning of year	2,867,718	389,657	1,294,611	-	-	369,149	4,921,135
FUND BALANCES, end of year	\$ 2,925,383	\$ (1,007,287)	\$ 1,189,328	-	\$ -	\$ 422,661	\$ 3,530,085

The accompanying notes are an integral part of these financial statements

**TOWN OF ASHFORD, CONNECTICUT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Net changes in fund balances - total governmental funds	\$ (1,391,050)
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Total change in net position reported for governmental activities in the statement of activities is different because:

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. The amount by which depreciation expense exceeded capital additions in the current period is as follows:

Expenditures for capital assets	2,179,366	
Depreciation expense	<u>(608,175)</u>	
		1,571,191

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Change in revenues - unavailable property taxes	1,143,529
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt obligations is as follows:

Principal repayments:		
General obligation bonds	30,000	
Equipment financing notes	104,168	
Lease liabilities	<u>14,086</u>	
		148,254

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. This amount represents the effect of such items:

Deferred outflows - deferred charge on refunding	(1,271)	
Amortization of bond premium	7,663	
Compensated absences	8,125	
Other post employment benefits	<u>4,597</u>	
		<u>19,114</u>

Changes in net position of governmental activities	<u><u>\$ 1,491,038</u></u>
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**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2024**

	PENSION TRUST FUND	PRIVATE PURPOSE TRUST FUND	CUSTODIAL FUND
ASSETS			
Cash and cash equivalents	\$ -	\$ 29,177	\$ 18,830
Investments	1,723,930	117,733	-
Employer contributions receivable	76,163	-	-
Other receivables	-	-	23
Total assets	<u>\$ 1,800,093</u>	<u>\$ 146,910</u>	<u>\$ 18,853</u>
NET POSITION			
Restricted for:			
Pension benefits	\$ 1,800,093	\$ -	\$ -
Scholarships	-	146,910	-
Individuals, organizations, and others	-	-	18,853
Total net position	<u>\$ 1,800,093</u>	<u>\$ 146,910</u>	<u>\$ 18,853</u>

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

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	PENSION TRUST FUND	PRIVATE PURPOSE TRUST FUND	CUSTODIAL FUND
ADDITIONS			
Interest and dividend income	\$ 44,798	\$ 3,510	\$ 9
Net appreciation in the fair value of investments	153,176	6,850	-
Employer contributions	76,163	-	-
Other revenues	-	750	400
Total additions	<u>274,137</u>	<u>11,110</u>	<u>409</u>
DEDUCTIONS			
Benefits	128,684	-	-
Administrative expenses	8,993	1,151	-
Scholarships	-	4,275	-
Other expenses	-	-	500
Total deductions	<u>137,677</u>	<u>5,426</u>	<u>500</u>
Change in net position	136,460	5,684	(91)
NET POSITION			
Beginning of year	1,663,633	141,226	18,944
End of year	<u>\$ 1,800,093</u>	<u>\$ 146,910</u>	<u>\$ 18,853</u>

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



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**PURPOSE OF ORGANIZATION**

The Town of Ashford, Connecticut ("Town") is a municipal corporation governed by a selectmen-town meeting form of government. Under this form of government, the town meeting is the legislative body. A town meeting is required to make appropriations, levy taxes and borrow money. The administrative branch is led by an elected three-member Board of Selectmen. The selectmen oversee most of the activities not assigned specifically to another body. An elected board of education oversees the public school system. The elected Board of Finance is the budget making authority and supervises the town financial matters.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town are discussed below.

**REPORTING ENTITY**

The reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) 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 incomplete or misleading as set forth by GASB.

In evaluating how to define the reporting entity for financial statement reporting purposes, management has considered all potential component units. The decision to include a potential component unit in this reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. The criterion has been considered and there are no agencies or entities which should be presented with this government.

**BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (if any), which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balances, revenues and expenses/expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. The Town maintains proprietary and fiduciary funds, which are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

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

The Town's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles, as follows:

**Fund Categories**

- a. Governmental Funds - Governmental funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds:
  - General Fund - This fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.
  - The Capital Nonrecurring Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets. This fund is a capital project fund.
  - The Small Cities Grant Program Fund is used to account for program income received and federal grants used to fund the Town's Residential Rehabilitation Loan Program and costs associated with the Ashford Food Program. This fund is a special revenue fund.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS (*Continued*)**

a. Governmental Funds (*Continued*)

- The ARPA Grant Fund – The ARPA fund is a special revenue fund used to account for receipt and use of federal funds awarded to the Town under the American Rescue Plan Act of 2021.

The Town also reports the following non-major governmental funds:

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purpose other than debt service or capital projects. The non-major Special Revenue Funds of the Town are:

- Animal Fund
- School Cafeteria Fund
- Educational Grants Fund
- Preservation of Historical Records Fund
- Recreation Fund
- Student Activities Fund
- Opioid Fund
- Nips Fund
- AYSB Fund
- Town Clerk Special Fund
- Veterans Memorial Fund

Permanent Funds – Permanent funds are used to report resources that legally restrict the entity to the extent that income (earnings) and not principal will be used for specified purposes. The non-major permanent funds of the Town are:

- Band and Library Fund
- Cemetery Fund

b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) – The Fiduciary funds are used to account for assets held by the Town in a trustee capacity on behalf of others. In the Town of Ashford, Connecticut, the fiduciary funds are as follows:

- The Pension Trust Fund is used to account for the activities of the Town Employees' Retirement System, which accumulates resources for retirement benefit payments to qualified employees.
- The Private Purpose Trust Fund is used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Town utilizes private purpose trust funds to account for activities of funds held in trust for student scholarships.
- The Custodial Funds account for resources held by the Town in a purely custodial capacity.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**MEASUREMENT FOCUS AND FINANCIAL STATEMENT PRESENTATION**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The government-wide financial statements and the fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Property taxes and certain other revenues are considered to be available if collected within sixty days of the fiscal year end. Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures, when applicable, related to early retirement incentives, compensated absences, capital leases, post-closure landfill costs, pollution remediation obligations, other post-employment benefit obligations, certain pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**DEPOSITS, INVESTMENTS AND RISK DISCLOSURES**

Cash and cash equivalents - Cash and cash equivalents consist of funds deposited in demand deposit accounts, time deposit accounts, money market funds, State of Connecticut Treasurer's Short-Term Investment Fund, Tax Exempt Proceeds Funds and treasury bills with original maturities of less than three months.

The Town's custodial credit risk policy is to only allow the Town to use banks that are in the State of Connecticut. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**DEPOSITS, INVESTMENTS AND RISK DISCLOSURES (*Continued*)**

The Short-Term Investment Fund ("STIF") is a money market investment pool managed by the Cash Management Division of the State Treasurer's Office created by Section 3-27 of the Connecticut General Statutes (CGS). Pursuant to CGS 3-27a through 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the fund. The fund is considered a "2a7-like" pool and reports its investments at amortized cost (which approximates fair value). The pool is rated AAAM by Standard & Poor. This is the highest rating for money market funds and investment pools. The pooled investment funds' risk category cannot be determined since the Town does not own identifiable securities but invests as a shareholder of the investment pool.

Restricted cash – Restricted cash consists of funds deposited in demand deposit accounts which by contract or other agreement, must be segregated from other town deposits.

Certificates of deposit -Certificates of deposit consist of time deposit accounts with original maturity dates of more than three months.

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

Trust funds are able to invest in a wider range of investments. The Town follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quote prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Investments consist of mutual funds and exchange traded funds held within the Town's fiduciary funds.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**DEPOSITS, INVESTMENTS AND RISK DISCLOSURES (*Continued*)**

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations as its certificates of deposit have maturities of less than one year.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy for custodial credit risk is to invest in obligations allowable under the Connecticut General Statutes as described previously.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under the Connecticut General Statutes.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital of any one depository.

**TAXES RECEIVABLE**

Property taxes are assessed on property values as of October 1<sup>st</sup>. The tax levy is divided into two billings; the following July 1<sup>st</sup> and January 1<sup>st</sup>. This is used to finance the fiscal year from the first billing (July 1<sup>st</sup>) to June 30<sup>th</sup> of the following year. The billings are considered due on those dates; however, the actual due date is based on a period ending 31 days after the tax bill. On these dates (August 1<sup>st</sup> and February 1<sup>st</sup>), the bill becomes delinquent, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Under State Statute, the Town has the right to impose a lien on a taxpayer if any personal property tax, other than a motor vehicle tax, due to the Town is not paid within the time limited by any local charter or ordinance. The lien shall be effective for a period of fifteen years from the date of filing unless discharged. A notice of tax lien shall not be effective if filed more than two years from the date of assessment for the taxes claimed to be due. An allowance for uncollectible taxes, interest and liens fees of \$225,913 has been recorded net with taxes and interest receivable as of June 30, 2024.

**LOANS RECEIVABLE**

The Town administers a federally funded residential rehabilitation loan program for low to moderate income families. The loans do not accrue interest and repayment of the loans is deferred. The loans become due and payable upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's principal place of residence. The loans may be paid in full or in part by the borrower at any time without penalty. As of June 30, 2024, loans receivable totaled \$1,150,560 under this program.



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFFERED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**OTHER RECEIVABLES**

Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

**DUE FROM/TO OTHER FUNDS**

During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**PREPAID EXPENSES/EXPENDITURES**

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Reported amounts are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute “available spendable resources” even though they are a component of current assets.

**INVENTORIES**

Inventories in the governmental funds are valued at cost on a first-in, first-out basis. The cost is recorded as inventory at the time individual items are purchased. The Town uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance in governmental funds, which indicates that they do not constitute “available spendable resources” even though they are a component of current assets. Purchases of other inventorable items are recorded as expenditures/expenses at the time of purchase and year-end balances are not material.

**CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than the capitalization threshold for that asset type 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 fair market value at the date of donation.

Intangible assets lack physical substance, is nonfinancial in nature and its useful life extends beyond a single reporting period. These are reported at historical cost if identifiable. Intangible assets with no



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFFERED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**CAPITAL ASSETS (*Continued*)**

legal, contractual, regulatory, technological or other factors limiting their useful life are considered to have an indefinite useful life and are not amortized. 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. Land is considered inexhaustible and, therefore, not depreciated. Construction in Progress has not yet been placed into service and, therefore, is not depreciated. Property, plant and equipment of the Town is depreciated or amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Capitalization Threshold</u>
Land and land development rights	N/A	\$ 20,000
Buildings and improvements	10-100	\$ 20,000
Machinery, equipment and vehcles	3-30	\$ 10,000
Infrastructure	20-100	\$ 100,000

The town has recorded right of use lease assets as a result of implementing GASB 87, Leases. The right of use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments prior to the lease term, less lease incentives and plus ancillary charges necessary to place the lease into service. The right of use lease assets are amortized on a straight-line basis over the life of the related leases.

**UNEARNED REVENUES**

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Such amounts in the fund financial statements have been deemed to be measurable but not “available” pursuant to generally accepted accounting principles.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**LONG-TERM LIABILITIES**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

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, and debt payments, are reported as expenditures.

**NET POSITION**

Net position represents the difference between assets, liabilities and deferred outflows/inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets and restricted. The balance is classified as unrestricted.

In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**FUND BALANCE**

Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).
- Restricted fund balance is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in the Connecticut statutes.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**FUND BALANCE (*Continued*)**

- Committed fund balance will be reported for amounts that can only be used for specific purposes pursuant to formal action of the Town's highest level of decision making authority. A motion at a Town meeting is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town removes or changes the purpose by taking the same action that was used to establish the commitment.
- Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Finance for amounts assigned for balancing the subsequent year's budget or management for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.
- Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

The Town has adopted a fund balance policy to maintain a minimum General Fund unassigned fund balance of 10-15% of budgeted expenditures.

**ENCUMBRANCES**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)**

**ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION FUND BALANCES (*Continued*)**

**USE OF ESTIMATES**

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

**SUBSEQUENT EVENTS**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through January 9, 2025, the date that the financial statements were available to be issued. There were no subsequent events identified that require disclosure.

**APPLICATION OF ACCOUNTING STANDARDS**

For the year ended June 30, 2024, the following accounting pronouncement became effective and was implemented by the Town.:

GASB Statement 100, Accounting Changes and Error Corrections. This statement enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

See *Note 16* regarding the restatement of opening fund equity/net position.

**FUND DEFICITS**

The Capital Nonrecurring Fund had unassigned deficit fund balance in the amount of \$1,465,472. The subsequent collection of June 30, 2024 unavailable revenues is expected to eliminate the deficit fund balance.

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

**BUDGET BASIS**

A formal, legally approved, annual budget is adopted for the General Fund only. This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions:

- **Teachers' Retirement and Other Post - Employment Benefits (OPEB)** – The Town does not recognize as income or expenditures payments made for the teachers' retirement and OPEB by the State of Connecticut on the Town's behalf in its budget. U.S GAAP requires that the employer government recognize payments for salaries and fringe benefits paid on behalf of its employees.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2- STEWARDSHP, COMPLIANCE, AND ACCOUNTABILITY**

**BUDGET BASIS (*Continued*)**

- **Encumbrances** – Unless committed through a formal encumbrance (e.g., purchase orders, signed contracts), all annual appropriations lapse at fiscal year-end. Encumbrances outstanding at year end are reported on the budgetary basis statements as expenditures.
- **Excess Cost Grant** – As permitted by State Statutes, the Town nets the receipt of the Connecticut Excess Cost Education Grant directly against its Board of Education expenditures for budgetary purposes. Such grant revenue is reported gross as intergovernmental revenue for U.S. GAAP.
- **Transfers to/from the Board of Education Non-lapsing Fund Balance of the General Fund** – As permitted by Connecticut General Statutes Section 10-248a and subsequent amendments, the Town makes transfers of the unexpended Board of Education budget to a Nonlapsing Education Fund Balance. Such transfers are limited to two percent of the related total budgeted appropriation and are restricted for educational expenditures. Additions to and uses of these funds are excluded from the Town's budget.
- **Select General Fund Revenues and Expenditures** – Revenues and expenditures of the General Fund as they relate to Babcock Library, Knowlton Hall, 300<sup>th</sup> Anniversary, Misc. Special Funds, select Town Aid Road, Building Fund, Contractor Bonds, the previously mentioned Board of Education Non-lapsing Fund, and Open Space are excluded from the Town's budget.

**BUDGET PROCEDURES AND CONTROL**

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements in accordance with provisions of Connecticut General Statutes and annually adopted budget policies.

- The head of each department, office or agency of the Town, supported wholly or in part from Town funds, except the Board of Education, files with the Board of Selectmen, a detailed estimate of the expenditures to be made and the revenues, other than property taxes, to be collected in the ensuing fiscal year.
- The Board of Selectmen presents a budget message, estimates of revenues and expenditures and justifications to the Board of Finance for all Town-supported functions. The Board of Education presents estimates of revenues and expenditures and justifications to the Board of Finance for all local education functions.
- The Region 19 Board of Education presents the proposed Region 19 budget to the Board of Finance. A separate public hearing and referendum for the Region 19 budget are administered by the Region 19 Board of Education.
- The Board of Finance holds at least one public hearing on the proposed budget. The Board of Finance may review the budget requests with the head of each department, board, agency, and commission including the local Board of Education. The Board of Finance then prepares a budget to be presented and may approve or lower the General Government, Ashford Board of Education, and/or Capital Projects budgets. The Region 19 budget cannot be approved or lowered during, this meeting as it is subject to a separate Region 19 referendum. The Annual Budget meeting will adjourn to referendum.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2- STEWARDSHP, COMPLIANCE, AND ACCOUNTABILITY (*Continued*)**

**BUDGET PROCEDURES AND CONTROL (*Continued*)**

- Expenditures are budgeted by function, department, and object. The legal level of budgetary control, (the level at which expenditures may not exceed appropriations) is established at the department level. Transfers of budgeted amounts between departments must be approved by the Board of Finance. Management may transfers amounts between line items within a department. Additional appropriation requests are submitted by the department heads to the Board of Selectmen. The Board of Selectmen acts on the requests, which, if approved, are sent to the Board of Finance. The Board of Finance may approve additional appropriations for a department, provided such additional appropriations do not exceed \$20,000 or are not a second request for an appropriation by the asking board, commission, or department. Appropriations in excess of the amount which the Board of Finance may approve or a second request by the requesting board, commission, or department, must be approved by vote of a Town Meeting. During the year ended June 30, 2024, additional appropriations from fund balance totaled \$889,764.
- Formal budgetary integration is used as a management tool during the year.

**EXPENDITURES IN EXCESS OF BUDGET**

For the year ended June 30, 2024, no department totals were in excess of their budgeted appropriations.

**NOTE 3 - CASH, CASH EQUIVALENTS, RESTRICTED CASH, CERTIFICATES OF DEPOSIT, AND INVESTMENTS**

Cash and cash equivalents, restricted cash, and certificates of deposit of the Town consist of the following at June 30, 2024:

Statement of Net Position	
Cash and cash equivalents	\$ 5,083,900
Restricted cash	14,017
Certificates of deposit	<u>127,495</u>
	<u>5,225,412</u>
Fiduciary Funds	
Cash and cash equivalents	<u>48,007</u>
	<u>\$ 5,273,419</u>

As of June 30, 2024, the carrying amount of the Town's cash and cash equivalents, restricted cash, and certificates of deposits was comprised of the following:

Deposits with financial institutions	\$ 2,795,063
Plus external investment pools	<u>2,478,356</u>
	<u>\$ 5,273,419</u>

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 - CASH, CASH EQUIVALENTS, RESTRICTED CASH, CERTIFICATES OF DEPOSIT, AND INVESTMENTS (*Continued*)**

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The bank balance of the deposits, including deposits in fiduciary funds, was \$3,105,053 and was exposed to custodial credit risk as follows:

Covered by Federal Depository Insurance	\$ 928,621
Collateralized by securities held in trust not in the Town's name	217,643
Uninsured and uncollateralized	1,958,789
	<u>\$ 3,105,053</u>

Investments – Investments, reported at fair value, and held by the Town's Fiduciary Funds consist of the following at June 30, 2024:

Investment Type	Credit Rating	Fair Value	Fair Value Measurements		
			Level 1	Level 2	Level 3
Money market funds	N/A	\$ 41,075	\$ 41,075	\$ -	\$ -
Mutual and exchange-traded funds	N/A	1,829,764	1,829,764	-	-
		<u>\$ 1,870,839</u>	<u>\$ 1,870,839</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 4 - RECEIVABLES, DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE**

At June 30, 2024, receivables consisted of the following:

	Governmental Funds				Fiduciary Funds	Government-Wide
	General Fund	Capital Nonrecurring Fund	Small Cities Grant Program Fund	Nonmajor Governmental Fund	Pension Trust Fund	Governmental Activities
Property taxes	\$ 637,152	\$ -	\$ -	\$ -	\$ -	\$ 637,152
Interest and liens	434,466	-	-	-	-	434,466
Intergovernmental	-	1,579,496	-	23,069	-	1,602,565
Accounts	13,329	-	-	675	-	14,004
Loans	-	-	1,150,560	-	-	1,150,560
Employer contributions	-	-	-	-	76,163	-
Receivables, gross	1,084,947	1,579,496	1,150,560	23,744	76,163	3,838,747
Allowance for doubtful accounts	(225,913)	-	-	-	-	(225,913)
Receivables, net	<u>\$ 859,034</u>	<u>\$ 1,579,496</u>	<u>\$ 1,150,560</u>	<u>\$ 23,744</u>	<u>\$ 76,163</u>	<u>\$ 3,612,834</u>



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4 - RECEIVABLES, DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE (*Continued*)**

Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. This is recorded as the liability *unearned revenue* at June 30, 2024. The ARPA Grant Fund and certain nonmajor governmental funds reported unearned revenue related to unspent federal funds. Governmental funds report *deferred inflows of resources* in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. The Town reports both property taxes and intergovernmental revenues not received within 60 days of the year end in deferred inflows of resources.

At June 30, 2024, the Town's unearned revenues and deferred inflows of resources consisted of the following:

	Governmental Funds				Government-Wide
	General Fund	Capital Nonrecurring Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Governmental Activities
Unearned revenue	\$ -	\$ -	\$ 273,515	\$ 56,495	\$ 330,010
Deferred inflows of resources					
Revenue - unavailable	\$ 791,656	\$ 1,579,496	\$ -	\$ -	\$ -

**NOTE 5 - INTERFUND TRANSACTIONS**

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. At June 30, 2024, these were summarized as follows:

Receivable Fund	Payable Fund	Amount
Capital Noncurring Fund	General Fund	\$ 545,323
ARPA Fund	General Fund	286,463
Nonmajor Governmental Funds	General Fund	232,123
Nonmajor Governmental Funds	Nonmajor Governmental Funds	9,519
		<u>\$ 1,073,428</u>

Fund transfers are generally used to fund special projects with General Fund revenues. Transfers during the year ended June 30, 2024 were as follows:

Transfer From	Transfer To	Amount
General Fund	Capital Noncurring Fund	\$ 872,963
General Fund	Nonmajor Governmental Funds	214,211
		<u>\$ 1,087,174</u>

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 6 - CAPITAL ASSETS**

Changes in the Town's capital assets used in the governmental activities are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land and land development rights	\$ 1,612,327	\$ -	\$ -	\$ 1,612,327
Construction in progress	-	1,748,705	-	1,748,705
	<u>1,612,327</u>	<u>1,748,705</u>	<u>-</u>	<u>3,361,032</u>
Capital assets being depreciated				
Buildings and improvements	14,745,360	306,870	-	15,052,230
Machinery, equipment, and vehicles	5,256,246	123,791	-	5,380,037
Infrastructure	3,035,949	-	-	3,035,949
Right of use equipment	70,374	-	-	70,374
	<u>23,107,929</u>	<u>430,661</u>	<u>-</u>	<u>23,538,590</u>
Accumulated depreciation and amortization				
Buildings and improvements	5,027,356	224,942	-	5,252,298
Machinery, equipment, and vehicles	3,092,871	267,312	-	3,360,183
Infrastructure	1,027,823	102,433	-	1,130,256
Right of use equipment	27,972	13,488	-	41,460
	<u>9,176,022</u>	<u>608,175</u>	<u>-</u>	<u>9,784,197</u>
Capital assets being depreciated, net	<u>13,931,907</u>	<u>(177,514)</u>	<u>-</u>	<u>13,754,393</u>
Total governmental activities capital assets, net	<u>\$ 15,544,234</u>	<u>\$ 1,571,191</u>	<u>\$ -</u>	<u>\$ 17,115,425</u>

Depreciation and amortization expense was charged to functions/programs of the governmental activities as follows:

General Government	\$ 121,831
Public Safety	62,308
Public Works	182,396
Library	4,999
Recreation	13,339
Education	223,302
	<u>\$ 608,175</u>

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 7 - LONG-TERM LIABILITIES**

The following table summarizes changes in the Town's long-term indebtedness for the year ending June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	\$ 340,000	\$ -	\$ 30,000	\$ 310,000	\$ 30,000
Unamortized bond premium	69,981	-	7,663	62,318	7,663
Equipment financing notes	288,352	-	104,168	184,184	106,009
Leases payable	44,519	-	14,086	30,433	14,463
Compensated absences	45,267	-	8,125	37,142	8,219
OPEB obligation	440,921	-	4,597	436,324	-
	<u>\$ 1,229,040</u>	<u>\$ -</u>	<u>\$ 168,639</u>	<u>\$ 1,060,401</u>	<u>\$ 166,354</u>

Each governmental funds' liability is liquidated by the respective fund, primarily the General Fund and Capital Non-recurring Fund. Interest on these obligations is expensed to the respective fund, primarily the General Fund and Capital Non-recurring Fund.

**NOTE 8 - GENERAL OBLIGATION BONDS**

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the Town and pledge the full faith and credit of the Town. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. General obligation bonds outstanding as of June 30, 2024 consisted of the following:

Purpose	Year of Issue	Original Amount	Final Maturity	Interest Rates	Amount Outstanding
General Obligation - Refunding	2013	\$ 2,640,000	2033	2.00 - 4.00%	\$ 310,000
					<u>\$ 310,000</u>

Payments to maturity on the general obligation bonds are as follows:

Year End	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2025	\$ 30,000	\$ 11,800
2026	30,000	10,600
2027	30,000	9,400
2028	35,000	8,100
2029	35,000	6,700
2030-2033	150,000	12,400
	<u>\$ 310,000</u>	<u>\$ 59,000</u>

For the year ended June 30, 2024, interest incurred and expensed on general obligation bonds, net of the amortized premium, totaled \$5,337.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 8 - GENERAL OBLIGATION BONDS *(Continued)***

The Town has authorized the appropriation of a \$5,000,000 bond for costs relating to the planning, design, and construction of a new roof at the Ashford School. The bond has not been issued as of June 30, 2024. Subsequent to year-end, the Town issued a \$4,000,000 bond anticipation note in connection with this project. See *Note 20*.

**NOTE 9 - EQUIPMENT FINANCING NOTES**

The Town has entered into two equipment financing notes for the acquisition of an excavator and a fire truck. Details on these obligations are as follows:

<u>Equipment</u>	<u>Year of Issue</u>	<u>Original Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Excavator	2022	\$ 184,325	2026	2.25%	\$ 73,730
Fire Truck	2022	270,000	2026	2.65%	110,454
					<u>\$ 184,184</u>

As of June 30, 2024, the annual debt service requirements on these two notes were as follows:

	<u>Governmental Activities</u>	
	<u>Equipment Financing Notes</u>	
<u>Year End</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 106,009	\$ 3,489
2026	78,175	789
	<u>\$ 184,184</u>	<u>\$ 4,278</u>

Interest incurred in these two notes for the year ended June 30, 2024 totaled \$6,177.

**NOTE 10 - LEASES PAYABLE**

The Town has entered into two separate agreements to lease equipment, both of which qualify as leases other than short-term leases under GASB 87. As such, both leases have been recorded at the present value of their respective future minimum lease payments as of their inception.

The first lease was entered into in October 2020 to lease copiers and printers at the Town's Board of Education and required monthly payments of approximately \$684 through January 2026. The lease liability is measured at a discount rate of 2.65% which is the rate recently received by the Town in a separate financing arrangement. The net book value of the related right of use asset was \$17,186 at June 30, 2024.

The second lease was entered into in January 2022 for copiers and printers at the Town's offices and requires monthly payments of approximately \$574 through February 2027. The lease liability was measured at a discount rate of 2.65% which is the rate recently received by the Town in a separate financing arrangement. The net book value of the related right of use asset was \$11,728 at June 30, 2024.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 10 - LEASES PAYABLE (*Continued*)**

The annual debt service requirements of the Town's leases are as follows:

	Governmental Activities	
	Leases Payable	
	Principal	Interest
Year End		
2025	\$ 14,463	\$ 632
2026	11,986	253
2027	3,984	35
	<u>\$ 30,433</u>	<u>\$ 920</u>

Interest incurred on these leases totaled approximately \$1,010 for the year ended June 30, 2024.

**NOTE 11 - SHARED DEBT**

The Town is contingently liable for its pro-rata share of the Regional School District No 19's (the "District") outstanding bonds (See *Note 19*). As of June 30, 2024, the District's total outstanding bonds and BAN's were \$1,538,282. Approximately 18.37% or \$282,582 represents the Town's contingent share. Additionally, the District has \$5,572,000 of authorized, unissued bonds at June 30, 2024 for which the Town would be contingently liable when issued.

**NOTE 12 - COMPENSATED ABSENCES**

Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Payment for accumulated sick leave is dependent upon the length of service and accumulated days. The value of all compensated absences has been reflected in the government-wide financial statements.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 13 - LEGAL DEBT LIMIT**

Connecticut General Statutes Section 7-374 sets limits on the debt, as defined by the statutes, which can be incurred by the Town and other governmental agencies within the Town. The limitations for the Town of Ashford, Connecticut are as follows:

Total tax collections (including interest and lien fees) for the year - primary government	\$ 12,380,767
Reimbursement for revenue loss on tax relief for the elderly (C.G.S. 12-129d)	-
Debt limitation base	<u>\$ 12,380,767</u>

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation					
2 1/4 times base	\$ 27,856,726	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	55,713,452	-	-	-
3 3/4 times base	-	-	46,427,876	-	-
3 1/4 times base	-	-	-	40,237,493	-
3 times base	-	-	-	-	37,142,301
Total debt limitation	<u>27,856,726</u>	<u>55,713,452</u>	<u>46,427,876</u>	<u>40,237,493</u>	<u>37,142,301</u>
Indebtedness					
Bonds payable	310,000	-	-	-	-
*Bonds payable, net -					
Regional School District No. 19	-	1,306,159	-	-	-
Authorized and unissued debt	-	5,000,000	-	-	-
	<u>310,000</u>	<u>6,306,159</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of debt outstanding and authorized	<u>\$ 27,546,726</u>	<u>\$ 49,407,293</u>	<u>\$ 46,427,876</u>	<u>\$ 40,237,493</u>	<u>\$ 37,142,301</u>

In no case shall total indebtedness exceed seven times the annual receipts from taxation	<u>\$ 86,665,369</u>
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\* The Town of Ashford, Connecticut (the "Town") is a member of Regional School District No. 19. (the "District"). This amount represents the Town's proportional share of the District's outstanding bonds payable as of June 30, 2024, calculated as follows:

Bonds payable, net - Regional School District No. 19	\$ 1,538,282
Authorized and unissued - Regional School District No. 19	<u>5,572,000</u>
	7,110,282
Town of Ashford, Connecticut's proportionate share	<u>18.37%</u>
	<u>\$ 1,306,159</u>

**NOTE 14 - NET POSITION**

The components of net position are as detailed below:

*Net Investment in Capital Assets* – the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted Net Position – Nonexpendable* – the component of net position that reflects funds set aside in accordance with laws, regulations, grants and other agreements that must be kept intact and cannot be spent. This is made up of \$81,000 in permanent fund principal for cemeteries and scholarships.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 14 - NET POSITION *(Continued)***

*Restricted Net Position – Expendable* – the component of net position that reflects funds that can only be spent subject to the laws, regulations, grants, and other agreements relating to these funds. This is made up of:

Restricted - expendable	
Small Cities Grant Program	\$ 1,189,328
Board of Education CGS Section 10-248a	373,465
Town Clerk	36,981
Cemeteries	28,388
Historical record preservation	27,928
Opioid program	20,986
Student activities	19,857
Nips program	7,827
Scholarships	367
	<u>\$ 1,705,127</u>

*Unrestricted* – all other amounts that do not meet the definition of “restricted” or “net investment in capital assets”.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 15 - FUND BALANCES**

As discussed in *Note 1*, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These are summarized below:

		Capital Nonrecurring Fund	Small Cities Grant Program Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
	General Fund					
Nonspendable						
Not in spendable form						
Prepaid expenditures	\$ -	\$ -	-	-	\$ 3,700	\$ 3,700
Inventories	-	-	-	-	7,667	7,667
Long-term receivables	-	-	1,150,560	-	-	1,150,560
Required to be maintained						
Trust principal	-	-	-	-	81,000	81,000
	<u>\$ -</u>	<u>\$ -</u>	<u>1,150,560</u>	<u>-</u>	<u>\$ 92,367</u>	<u>\$ 1,242,927</u>
Restricted						
General Government	\$ -	\$ -	-	-	\$ 72,736	\$ 72,736
Planning and development	-	-	38,768	-	28,388	67,156
Health, Welfare and Sanitation	-	-	-	-	20,986	20,986
Education	373,465	-	-	-	19,857	393,322
Library	-	-	-	-	367	367
	<u>\$ 373,465</u>	<u>\$ -</u>	<u>38,768</u>	<u>-</u>	<u>\$ 142,334</u>	<u>\$ 554,567</u>
Committed						
General Government	\$ 25,987	\$ -	\$ -	\$ -	\$ -	\$ 25,987
Library	167,893	-	-	-	-	167,893
Public Works	5,730	-	-	-	-	5,730
Capital Projects	-	458,185	-	-	-	458,185
	<u>\$ 199,610</u>	<u>\$ 458,185</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 657,795</u>
Assigned						
General Government	\$ -	\$ -	-	-	\$ 2,137	\$ 2,137
Public Safety	-	-	-	-	8,621	8,621
Health, Welfare and Sanitation	-	-	-	-	43,235	43,235
Education	-	-	-	-	126,382	126,382
Recreation	-	-	-	-	7,585	7,585
	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 187,960</u>	<u>\$ 187,960</u>
Unassigned	<u>\$ 2,352,308</u>	<u>\$ (1,465,472)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,836</u>



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 16 - CORRECTION OF ERROR – RESTATEMENT OF OPENING FUND BALANCE/NET POSITION**

As of July 1, 2023, The Town made the following restatements to its opening fund balances of its governmental funds and/or net position of its governmental activities to report in accordance with accounting principles generally accepted in the United States of America:

<u>Fund Balance / Net Position</u>	<u>Fund Financials</u>		Government- Wide Governmental Activities
	Capital Nonrecurring Fund	Small Cities Grant Program Fund	
June 30, 2023, as previously reported	\$ 871,397	\$1,297,426	\$ 20,473,463
Error corrections:			
Deferred inflows - unavailable revenues	(481,740)	-	-
Loans receivable	-	(2,815)	(2,815)
June 30, 2023, as restated	<u>\$ 389,657</u>	<u>\$1,294,611</u>	<u>\$ 20,470,648</u>

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS**

**DEFINED CONTRIBUTION RETIREMENT PLAN**

The Town established a single employer defined contribution plan called the Town of Ashford MPP (the ‘Plan’) to provide retirement benefits for all of its full-time employees. Under the provisions of the Plan, all full-time employees (except those covered under a comparable employer plan) may participate. The Town is required to contribute an amount equal to 7% of employee covered payroll. Plan participants are not required to contribute to the Plan. The Plan does not issue stand alone financial statements and is part of the Town’s financial reporting entity since the Town has trustee responsibilities related to the participant accounts which contain employer contributions. As such, the Plan is accounted for in the fiduciary fund financial statements as a pension trust fund. Town contributions are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investment income is recognized when earned and gains and losses on sales or exchanges are recognized on the transaction date. Employer contributions totaled \$76,163 for the year ended June 30, 2024.

**TEACHERS’ RETIREMENT SYSTEM**

**Plan Description**

The Connecticut Teachers’ Retirement System (TRS or the Plan) is the public pension plan offered by the State of Connecticut (the State) to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes.

TRS is a cost-sharing multiemployer pension plan administered by the Connecticut State Teachers’ Retirement Board. The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS (*Continued*)**

**TEACHERS' RETIREMENT SYSTEM (*Continued*)**

**Plan Description (*Continued*)**

Teachers, principals, superintendents or supervisors engaged in the service of public schools are provided with pensions through the TRS. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at [www.ct.gov](http://www.ct.gov).

**Benefit Provisions**

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

*Normal Retirement:* Retirement benefits for the employees are calculated as 2% 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).

In addition, amounts derived from the accumulation of the 6% contributions made prior to July 1, 1989 and voluntary contributions are payable.

*Early Retirement:* Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

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

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

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

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**TEACHERS' RETIREMENT SYSTEM *(Continued)***

**Contributions**

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

*Employer (School Districts /Town of Ashford):* School district employers are not required to make contributions to the Plan, as contributions are required only from employees and the State.

*Employees:* Effective July 1, 1992, each teacher was required to contribute 6% of pensionable salary for the pension benefit. Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

*Administrative expenses:* Administrative expenses of the Plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

**Actuarial Assumptions**

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

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

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

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

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**TEACHERS' RETIREMENT SYSTEM *(Continued)***

**Actuarial Assumptions *(Continued)***

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 TRS 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 target asset allocation and best estimates of arithmetic real rates of return for each major asset class as provided by the State of Connecticut's Treasurer's Office are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00%	6.8%
Public Credit	2.00%	2.9%
Core Fixed Income	13.00%	0.4%
Liquidity Fund	1.00%	-0.4%
Risk Mitigation	5.00%	0.1%
Private Equity	15.00%	11.2%
Private Credit	10.00%	6.1%
Real Estate	10.00%	6.2%
Infrastructure and Natural Resources	7.00%	7.7%
	100.00%	

*Discount Rate:* The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the State contributions will be made at the actuarially determined rates in 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.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS (Continued)**

**TEACHERS' RETIREMENT SYSTEM (Continued)**

**Town's Proportionate Share of the Collective Net Pension Liability**

Town of Ashford's Net Pension Liability	\$ -
State of Connecticut's Net Pension Liability for the Town of Ashford	12,210,558
Net Pension Liability	<u>\$ 12,210,558</u>
Portion of the State of Connecticut's Net Pension Liability which is related to the Town of Ashford employees	0.071800%
Pension Expense	\$ 1,169,090
Proportion Basis	Employee contributions
Change in proportion since prior measurement date	None

The Town is not required to make contributions to the plan. The Town's proportionate share has been determined on the same basis as that used by the plan as has the basis of accounting, including policies with respect to benefit payments (including refunds of employee contributions) and the valuation of plan investments.

**Sensitivity Analysis** – The following presents Connecticut's net pension liability with respect to the Town of Ashford, Connecticut's employee group, calculated using the current discount rate, as well as what this net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease	Current Discount Rate	1% Increase
	5.90%	6.90%	7.90%
State's Net Pension Liability	<u>\$ 15,952,370</u>	<u>\$ 12,210,558</u>	<u>\$ 9,104,402</u>

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 rates in 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 the investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Support Provided by Nonemployer Contributing Entity (State)** – The Town has a special funding situation whereby the State is obligated to pay the pension costs of the TRS and the Town is not required to pay any of the costs. However, the Town must record the costs paid by the State on behalf of the Town's employees as revenue and expense in its GAAP financial statements which amounted to \$920,157 of revenue and expense.

**Obtaining a Report of the Plan** – TRS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. The report includes information on the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17– PENSION AND OTHER POST RETIREMENT PLANS (*Continued*)**

**OTHER POST-EMPLOYMENT BENEFITS – TEACHERS’ RETIREMENT SYSTEM**

**Plan Description**

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with benefits, including retiree health insurance, through the Connecticut Teachers' Retirement System - a cost sharing multiemployer defined benefit pension plan administered by the TRB. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRB issues a publicly available financial report that can be obtained at [www.ct.gov](http://www.ct.gov).

**Benefit Provisions**

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

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree’s share of the cost of coverage, any remaining portion is used to offset the district’s cost. 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 that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). Employees are eligible to retire at age sixty with twenty years of credited service in Connecticut, or thirty-five years of credited service including at least twenty-five years of service in Connecticut.

**Contributions**

*State of Connecticut*

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of the plan costs through an annual appropriation in the General Fund.

**THE TOWN OF ASHFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**OTHER POST-EMPLOYMENT BENEFITS – TEACHERS’ RETIREMENT SYSTEM  
*(Continued)***

**Contributions *(Continued)***

*Employer*

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

*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.

**Administrative Expenses**

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

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

<b>Inflation</b>	2.50%
<b>Real Wage Growth</b>	0.50%
<b>Wage Inflation</b>	3.00%
<b>Salary increases</b>	3.00-6.50%, including inflation
<b>Investment rate of return</b>	3.00%, net of OPEB plan investment expense, including inflation
<b>Year fund net position will be depleted</b>	2028
<b>Municipal bond index rate (measurement date)</b>	3.65%
<b>Municipal bond index rate (prior)</b>	3.54%
<b>Single equivalent interest rate (measurement date)</b>	3.64% (net of investment exp, incl. inflation)
<b>Single equivalent interest rate (prior)</b>	3.53% (net of investment exp, incl. inflation)
<b>Healthcare cost trend rates (Medicare)</b>	Known increases until calendar year 2024, then general trend decreasing to an ultimate rate of 4.5% by 2031

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



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**OTHER POST-EMPLOYMENT BENEFITS – TEACHERS’ RETIREMENT SYSTEM**  
***(Continued)***

**Long-Term Rate of Return**

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 of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change 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 0.77%. Price inflation is expected to be 2.50% while the expected rate of return is 3.25%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.64%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made.

Based on those assumptions, the plan’s fiduciary net position was projected to be depleted in 2028 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

**Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates**

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

The State of Connecticut’s proportionate share of the net OPEB liability associated with the Town is 0.071800% or \$1,143,962. The Town recognized on-behalf revenues and expenditures of \$(134,766) in connection with this plan.

**Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers’ OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at [www.ct.gov](http://www.ct.gov).



**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**OTHER POST-EMPLOYMENT BENEFITS – BOARD OF EDUCATION**

From an accrual accounting perspective, the cost of post-employment health care benefits generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows.

**Plan Description**

The Town provides certain health care benefits for retired employees through a single-employer defined benefit plan administered by the Town of Ashford, Connecticut in accordance with various collective bargaining agreements. The plan does not issue a separate financial statement, and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

As of the June 30, 2024 measurement date, plan membership consisted of 35 participants, of which 32 were active employees and 3 were retirees.

**Funding Policy**

Retired teachers and their spouses must be allowed to continue their health insurance benefits, in the same health insurance plan offered to active teachers, through their last employing Town. The Town does not contribute to the retirees' health insurance. The retirees pay 100% of the premiums in accordance with the Connecticut General Statutes and the various collective bargaining agreements. Since the Town's liability is solely from the implicit rate subsidy calculation, the Town has not established a trust fund to irrevocably segregate assets to fund the liability associated with postemployment benefits in accordance with GASB guidelines.

**Actuarial Methods and Significant Assumptions**

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis.

The government has elected to use the alternative approach to calculate OPEB related benefits. This allows financial statement preparers to use certain simplifying assumptions to project benefits without the use of an actuary. The significant assumptions to apply this method were developed by the Board of Education with the use of an outside vendor.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**OTHER POST-EMPLOYMENT BENEFITS – BOARD OF EDUCATION *(Continued)***

**Actuarial Methods and Significant Assumptions *(Continued)***

Other actuarial methods and significant assumptions are summarized as follows:

Actuarial Cost Method	Entry Age Normal
Average Retirement Age	60
Discount Rate	4.070%
Measurement Date	June 30, 2024
Projected Salary Increases	2.90%
Amortization Period	20
Percentage Participation	25.00%
Mortality Table	Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

The discount rate used to measure the total OPEB liability was 4.070% and was based on the published Bond Buyer General Obligation 20-Bond Municipal Index effective as of June 30, 2024.

Total OPEB expense (income) recognized for this Plan for the year ended June 30, 2024 was (\$4,597).

**Changes in the OPEB Liability**

Changes in the OPEB liability for the year ended June 30, 2024 are as follows:

Balance, beginning of year	\$ 440,921
Changes for the year:	
Service cost	14,201
Interest	17,231
Effect of economic/demographic gains/losses	(7,764)
Changes of assumptions	(10,673)
Benefit payments	(17,592)
Net changes	(4,597)
Balance, end of year	<u>\$ 436,324</u>

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 17 – PENSION AND OTHER POST RETIREMENT PLANS *(Continued)***

**OTHER POST-EMPLOYMENT BENEFITS – BOARD OF EDUCATION *(Continued)***

**Sensitivity Analysis**

The following presents the total OPEB liability of the Town, calculated using the current discount rate of 4.070% as well as what the Town's net OPEB liability if it were calculated using a discount rate that is 1 percentage lower (3.070%) or 1 percentage higher (5.070%)

	Decreasing by 1% (3.070%)	Current Rate (4.070%)	Increasing by 1% (5.070%)
Total OPEB liability as of June 30, 2024	<u>\$ 491,062</u>	<u>\$ 436,324</u>	<u>\$ 390,654</u>

The following chart shows the baseline healthcare trend rates used in the calculation of the net OPEB liability:

	Medical	Pharmacy	Dental	Vision
Year 1	4.700%	5.200%	3.500%	3.000%
Year 2	4.800%	4.800%	3.500%	3.000%
Year 3	4.700%	4.700%	3.000%	3.000%
Year 4	4.600%	4.600%	3.000%	3.000%
Year 5	4.500%	4.500%	3.000%	3.000%
Year 6	4.400%	4.400%	3.000%	3.000%
Year 7	4.300%	4.300%	3.000%	3.000%
Year 8	4.200%	4.200%	3.000%	3.000%
Year 9	4.200%	4.200%	3.000%	3.000%
Year 10 +	4.200%	4.200%	3.000%	3.000%

The following presents total OPEB liability of the Town, calculated using the current healthcare trend rates as displayed in the previous table, as well as the liability calculated using healthcare trend rates 1% greater than and 1 % less than the baseline trends shown in the table.

	Decreasing by 1%	Baseline Rates	Increasing by 1%
Total OPEB liability as of June 30, 2024	<u>\$ 378,426</u>	<u>\$ 436,324</u>	<u>\$ 506,917</u>

There are no deferred outflows of resources or deferred inflows of resources with respect to OPEB as of June 30, 2024.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 18 – CONTINGENT LIABILITIES AND RISK MANAGEMENT**

**LITIGATION**

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

**CONTINGENCIES AND RISK MANAGEMENT**

**Grants** – The Town participates in various Federal and State grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

**School Building Grants** – Section 10-283(a)(3)(A) of the Connecticut General Statutes states that if the Town abandons, sells, leases, demolishes or otherwise redirects the use of a school building project authorized on or after July 1, 1996, paid partially with State funding, to other than a public school, will owe a portion of the State funding back to the State. For projects with a cost of over two million dollars, the contingency will be amortized over twenty years. For smaller projects, the contingency will be amortized over ten years.

**Risk Management** - The Town is exposed to various risks of loss related torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years. The Town currently is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk pool established under the provisions of Connecticut General Statutes section 7-749a et. seq. for some of its insurance. The Town is liable only for contributions to the pool. Members do not retain the risk of loss, as they have transferred the risk by purchasing coverage with no deductible retention. A separate agreement states limits on the member's obligation to pay indemnification obligations and expenses should CIRMA be unable to do so.

**NOTE 19 – JOINTLY GOVERNED ORGANIZATIONS AND JOINT VENTURES**

**Regional School District No. 19** - The Town is a member of Regional School District No. 19 (the "District") which is located in Mansfield, Connecticut. The District provides educational services for the grade 9 through 12 populations within its member towns. The activities of the District are primarily supported by assessments made to member towns. Assessments for the Town in the current fiscal year totaled \$3,680,487. In addition to annual member assessments, the Town is contingently liable for its pro-rata share of the District's outstanding bonds (See *Note 11*). The District is governed by an elected Board of Education and issues publicly available financial reports.

**NOTE 20 – SUBSEQUENT EVENT**

On July 23, 2024, the Town issued \$4,000,000 General Obligation Bond Anticipation Notes at a premium of \$15,560 in relation to its Ashford School roof project. The notes carry an interest rate of 4.25% and mature on July 22, 2025.

**THE TOWN OF ASHFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 21 – GASB PRONOUNCEMENTS ISSUED, BUT NOT YET EFFECTIVE**

The Governmental Accounting Standards Board (GASB) is the standard setting board for governmental entities. The following are statements which have been approved by GASB, but are not yet effective:

- GASB Statement 101 - *Compensated Absences*. This statement updates the recognition and measurement guidance for compensated absences. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 (the Town's fiscal year ending June 30, 2025).
- GASB Statement 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this statement is effective for fiscal years beginning after June 15, 2024 (the Town's fiscal year ending June 30, 2025).
- GASB Statement 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this statement is effective for fiscal years beginning after June 15, 2025 (the Town's fiscal year ending June 30, 2026).

## **REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>					
Property Taxes:					
Current taxes	\$ 11,961,578	\$ -	\$ 11,961,578	11,953,400	\$ (8,178)
Prior taxes	85,000	-	85,000	174,071	89,071
Interest and lien fees	45,000	-	45,000	118,534	73,534
Motor Vehicle Supplement	85,000	-	85,000	132,154	47,154
	<u>12,176,578</u>	<u>-</u>	<u>12,176,578</u>	<u>12,378,159</u>	<u>201,581</u>
State of Connecticut:					
Telephone tax	9,133	-	9,133	12,018	2,885
Mashantucket grant	12,010	-	12,010	12,010	-
Town aid roads	147,319	-	147,319	147,317	(2)
Education assistance	3,332,582	-	3,332,582	3,462,447	129,865
PILOT State property	8,854	-	8,854	13,773	4,919
PILOT State property - AHA	7,500	-	7,500	10,000	2,500
PILOT State property - other	8,059	-	8,059	8,059	-
Tax relief - elderly	17,968	-	17,968	-	(17,968)
Tax relief - disability	1,065	-	1,065	1,035	(30)
Veterans loss	900	-	900	1,176	276
Motor vehicle fines	700	-	700	1,325	625
Stressed municipality-SA21-15	44,498	-	44,498	44,498	-
Municipal revenue sharing	84,237	-	84,237	105,892	21,655
Municipal purposes and projects	-	-	-	3,582	3,582
	<u>3,674,825</u>	<u>-</u>	<u>3,674,825</u>	<u>3,823,132</u>	<u>148,307</u>
Other Revenues:					
Interest - investments	75,000	-	75,000	205,590	130,590
Garage rental - BOE	6,000	-	6,000	6,000	-
Pistol permits	1,400	-	1,400	2,870	1,470
Recording	20,000	-	20,000	16,147	(3,853)
Conveyance tax	40,000	-	40,000	68,740	28,740
Marriage licenses	200	-	200	272	72
Transfer station	7,500	-	7,500	9,927	2,427
Copier fees	4,000	-	4,000	2,902	(1,098)
Building permits	61,000	-	61,000	97,548	36,548
Senior center	2,700	-	2,700	8,259	5,559
Newsletter revenue	9,100	-	9,100	6,777	(2,323)
Planning and zoning fees	5,000	-	5,000	3,250	(1,750)
Wetlands fees	1,000	-	1,000	778	(222)
Farmers market fees	675	-	675	1,680	1,005
Town clerk misc.	3,000	-	3,000	3,713	713
Insurance dividend	8,795	-	8,795	-	(8,795)
Sale of fixed assets	1,000	-	1,000	-	(1,000)
Dog licenses/fees	500	-	500	382	(118)
Open space recapture tax	-	-	-	4,515	4,515
EMS miscellaneous	-	-	-	4,670	4,670
Miscellaneous	-	-	-	1,123	1,123
WRTD mileage reimbursement	-	-	-	2,794	2,794
	<u>246,870</u>	<u>-</u>	<u>246,870</u>	<u>447,937</u>	<u>201,067</u>
Total revenues	<u>16,098,273</u>	<u>-</u>	<u>16,098,273</u>	<u>16,649,228</u>	<u>550,955</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
EXPENDITURES					
General Government					
Board of Selectman					
First Selectman wages	64,190	-	64,190	66,190	(2,000) *
Selectmen wages	13,021	-	13,021	13,336	(315) *
Office admin wages	64,037	-	64,037	65,958	(1,921) *
Part time wages	2,244	-	2,244	5,900	(3,656) *
Selectmen's clerk	38,278	-	38,278	-	38,278
Advertising	1,000	-	1,000	2,064	(1,064) *
Printing and binding - citizens notice	25,000	-	25,000	30,822	(5,822) *
Postage	100	-	100	55	45
Office supplies	885	-	885	1,329	(444) *
Misc. expenses	500	-	500	445	55
Volunteer incentives	10	-	10	-	10
Memorial Day expenses	500	-	500	608	(108) *
July 4th celebration	200	-	200	-	200
	<u>209,965</u>	<u>-</u>	<u>209,965</u>	<u>186,707</u>	<u>23,258</u>
After School Program					
Recreation - after school program	10	-	10	-	10
	<u>10</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>
Town Counsel					
Legal fees	30,000	-	30,000	25,985	4,015
Legal/engineering	14,000	-	14,000	13,558	442
	<u>44,000</u>	<u>-</u>	<u>44,000</u>	<u>39,543</u>	<u>4,457</u>
Information Technology					
Contracted services	35,328	-	35,328	33,125	2,203
IT non-capital equipment	9,200	-	9,200	3,658	5,542
Webmaster	2,600	-	2,600	2,600	-
	<u>47,128</u>	<u>-</u>	<u>47,128</u>	<u>39,383</u>	<u>7,745</u>
Knowlton Hall					
Electricity	7,500	1,758	9,258	9,258	-
Water	700	-	700	487	213
Building repairs	3,000	6,631	9,631	9,631	-
Telephone	1,400	-	1,400	1,313	87
Contracted services	6,891	3,692	10,583	10,583	-
Fuel oil	6,000	14	6,014	6,314	(300) *
	<u>25,491</u>	<u>12,095</u>	<u>37,586</u>	<u>37,586</u>	<u>-</u>
Town Hall Building					
Electricity	25,420	-	25,420	16,025	9,395
Water	2,000	-	2,000	1,556	444
Building repairs	5,000	-	5,000	5,926	(926) *
Telephone	6,000	-	6,000	2,602	3,398
Contracted services	22,698	-	22,698	22,951	(253) *
Fuel oil	10,000	-	10,000	12,065	(2,065) *
	<u>71,118</u>	<u>-</u>	<u>71,118</u>	<u>61,125</u>	<u>9,993</u>
Town Property Maintenance					
Electricity	3,120	-	3,120	3,025	95
CT Clean Energy	500	-	500	-	500
Street lighting	3,802	-	3,802	2,623	1,179
Water	350	-	350	242	108
Property maintenance	5,200	-	5,200	4,513	687
Landscaping	750	-	750	-	750
Contracted services	800	-	800	1,839	(1,039) *
Custodial supplies	1,000	-	1,000	1,190	(190) *
Propane	1,100	-	1,100	-	1,100
	<u>16,622</u>	<u>-</u>	<u>16,622</u>	<u>13,432</u>	<u>3,190</u>

*Continued*



**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
General Government <i>(Continued)</i>					
Senior Center / EW Smith					
Senior center director wages	25,697	3,723	29,420	29,420	-
Electricity	4,600	-	4,600	4,997	(397) *
Building repairs	3,500	-	3,500	4,900	(1,400) *
Equipment repairs	500	1,803	2,303	2,303	-
Vehicle repairs	300	829	1,129	1,486	(357) *
Conf/dues/school	270	-	270	181	89
Mileage	150	-	150	42	108
Postage	300	-	300	141	159
Telephone / internet	1,525	-	1,525	1,567	(42) *
Contracted services	1,300	-	1,300	3,068	(1,768) *
Cleaning services	5,710	-	5,710	5,360	350
Custodial supplies	1,600	-	1,600	742	858
Propane	8,200	-	8,200	5,365	2,835
Program expenses	12,500	4,753	17,253	17,253	-
Office supplies	500	-	500	925	(425) *
Other equip - non-capital	100	-	100	110	(10) *
	<u>66,752</u>	<u>11,108</u>	<u>77,860</u>	<u>77,860</u>	<u>-</u>
Board of Finance					
Recording secretary	2,320	-	2,320	1,120	1,200
Consultants	350	-	350	350	-
Audit expenses	24,776	-	24,776	24,570	206
Conf/dues/school	200	-	200	-	200
Advertising	600	-	600	1,664	(1,064) *
Printing and binding	250	-	250	129	121
Postage	50	-	50	-	50
Subscriptions / books	50	-	50	-	50
Copier supplies	100	-	100	-	100
Office supplies	100	-	100	-	100
	<u>28,796</u>	<u>-</u>	<u>28,796</u>	<u>27,833</u>	<u>963</u>
Assessor					
Assessor wages	66,476	644	67,120	68,470	(1,350) *
Conf/dues/school	950	-	950	910	40
Mileage	400	-	400	324	76
Data processing	14,843	-	14,843	14,336	507
Advertising	250	-	250	125	125
Postage	900	-	900	833	67
Subscriptions / books	1,625	-	1,625	1,040	585
Office supplies	1,000	-	1,000	1,050	(50) *
	<u>86,444</u>	<u>644</u>	<u>87,088</u>	<u>87,088</u>	<u>-</u>
Board of Assessment Appeals					
BAA wages	1,340	-	1,340	1,100	240
Conf/dues/school	200	-	200	-	200
Advertising	160	-	160	135	25
	<u>1,700</u>	<u>-</u>	<u>1,700</u>	<u>1,235</u>	<u>465</u>
Revenue Collector					
Revenue collector wages	66,476	-	66,476	68,470	(1,994) *
Part time wages	6,600	-	6,600	6,135	465
Equipment repairs	125	-	125	-	125
Equipment maint. Contractual	290	-	290	192	98
Conf/dues/school	1,305	-	1,305	225	1,080
Mileage	1,000	-	1,000	-	1,000
Data processing	8,400	-	8,400	9,952	(1,552) *
Advertising	200	-	200	-	200
Postage	3,950	-	3,950	2,844	1,106
Copier supplies	300	-	300	89	211
Office supplies	300	-	300	275	25
Computer supplies	750	-	750	550	200
State MV fee	300	-	300	250	50
	<u>89,996</u>	<u>-</u>	<u>89,996</u>	<u>88,982</u>	<u>1,014</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
General Government <i>(Continued)</i>					
Treasurer					
Treasurer wages	26,208	-	26,208	39,151	(12,943) *
Deputy treasurer wages	44,656	-	44,656	47,535	(2,879) *
Admin assistant wages	50,000	-	50,000	-	50,000
Other prof and tech services	9,500	-	9,500	7,040	2,460
Conf/dues/school - GFOA	500	-	500	160	340
Mileage	100	-	100	-	100
Data processing	7,800	-	7,800	8,374	(574) *
Postage	750	-	750	836	(86) *
Office Supplies	1,600	-	1,600	2,411	(811) *
Permits and fees	975	-	975	310	665
	<u>142,089</u>	<u>-</u>	<u>142,089</u>	<u>105,817</u>	<u>36,272</u>
Town Clerk					
Town clerk wages - school/conf	500	-	500	-	500
Town clerk wages	66,476	-	66,476	68,470	(1,994) *
Asst town clerk wages	250	-	250	-	250
Asst town clerk wages	45,555	2,429	47,984	51,057	(3,073) *
Equipment repairs	500	-	500	-	500
Conf/dues/school	4,410	-	4,410	3,491	919
Data processing	4,295	-	4,295	3,520	775
Advertising	2,500	-	2,500	2,739	(239) *
Postage	2,000	-	2,000	177	1,823
Indexing and recording	18,000	-	18,000	17,652	348
Vital statistics	50	-	50	-	50
Security filming	700	-	700	597	103
Book repairs	1,000	-	1,000	1,000	-
Office supplies	3,000	-	3,000	2,962	38
	<u>149,236</u>	<u>2,429</u>	<u>151,665</u>	<u>151,665</u>	<u>-</u>
Registrar of Voters					
Registrar of voters wages	28,187	-	28,187	27,505	682
Professional and tech services	2,225	-	2,225	2,092	133
Equipment repairs	300	-	300	-	300
Equip maint contract	750	-	750	-	750
Conf/dues/school	3,780	-	3,780	3,669	111
Mileage	795	-	795	431	364
Postage	700	-	700	776	(76) *
Office supplies	350	-	350	2,053	(1,703) *
Election supplies	4,035	-	4,035	4,492	(457) *
Computer supplies	115	-	115	-	115
	<u>41,237</u>	<u>-</u>	<u>41,237</u>	<u>41,018</u>	<u>219</u>
Subtotal General Government	<u>1,020,584</u>	<u>26,276</u>	<u>1,046,860</u>	<u>959,274</u>	<u>87,586</u>
Public Safety					
Emergency Services					
Fire marshal wages	15,000	-	15,000	14,472	528
Training	100	-	100	-	100
Professional and tech services	100	-	100	-	100
Equip maint contracted	4,500	-	4,500	3,826	674
Conf/dues/school	175	-	175	-	175
Burning official	500	-	500	-	500
Deputy fire marshal	1,500	-	1,500	1,000	500
Emergency management	10,000	-	10,000	539	9,461
Tree warden	10	-	10	-	10
Misc. expenses	100	-	100	-	100
Non-capital equipment	100	-	100	-	100
Subtotal Public Safety	<u>32,085</u>	<u>-</u>	<u>32,085</u>	<u>19,837</u>	<u>12,248</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Public Works					
DPW Administration					
Public works wages	294,112	-	294,112	243,986	50,126
Public works overtime	40,000	-	40,000	42,533	(2,533) *
Meals	2,000	-	2,000	1,689	311
Public works foreman wages	70,000	-	70,000	95,008	(25,008) *
Part time wages	10,000	-	10,000	13,909	(3,909) *
Clothing allowance	3,000	-	3,000	3,500	(500) *
Drug and alcohol testing	400	-	400	507	(107) *
Conf/dues/school	1,000	-	1,000	550	450
	<u>420,512</u>	<u>-</u>	<u>420,512</u>	<u>401,682</u>	<u>18,830</u>
DPW Roads and Bridges					
Equipment rental	1,000	-	1,000	-	1,000
Catch basin cleaning	6,500	-	6,500	6,015	485
Bridge maint	6,000	-	6,000	-	6,000
Hand tools	500	-	500	183	317
Tree removal	6,000	-	6,000	6,300	(300) *
E&S control	1,000	-	1,000	223	777
Asphalt materials	18,000	-	18,000	33,486	(15,486) *
Sand/gravel/cement	27,000	-	27,000	40,760	(13,760) *
Salt/ice control	71,000	-	71,000	41,444	29,556
Pipe/culvert materials	10,000	-	10,000	9,721	279
Fencing materials	2,000	-	2,000	410	1,590
Signs and signals	3,000	-	3,000	1,372	1,628
Winter sand	11,000	-	11,000	4,476	6,524
	<u>163,000</u>	<u>-</u>	<u>163,000</u>	<u>144,390</u>	<u>18,610</u>
DPW Building Maintenance					
Electricity	5,600	-	5,600	6,029	(429) *
Building maint	4,000	8,090	12,090	13,671	(1,581) *
Waste disposal	1,000	-	1,000	-	1,000
Telephone	2,400	-	2,400	2,178	222
Contracted services	3,000	-	3,000	3,950	(950) *
Propane	6,500	-	6,500	3,988	2,512
Program expenses	3,500	-	3,500	4,274	(774) *
	<u>26,000</u>	<u>8,090</u>	<u>34,090</u>	<u>34,090</u>	<u>-</u>
DPW Equipment Maintenance					
Radio maintenance	2,000	-	2,000	160	1,840
Vehicle repairs	8,500	-	8,500	8,805	(305) *
Gasoline	5,000	-	5,000	6,389	(1,389) *
Diesel	20,000	-	20,000	19,557	443
Tires and chains	6,000	-	6,000	3,504	2,496
Lubrication	4,500	-	4,500	2,842	1,658
Truck parts	20,000	1,586	21,586	22,731	(1,145) *
Equipment parts	20,000	-	20,000	23,515	(3,515) *
Welding supplies	1,500	-	1,500	195	1,305
Hand tools	500	-	500	1,810	(1,310) *
	<u>88,000</u>	<u>1,586</u>	<u>89,586</u>	<u>89,508</u>	<u>78</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Public Works <i>(Continued)</i>					
Transfer Station					
Recycling part time wages	94,210	-	94,210	98,520	(4,310) *
Clothing allowance	1,000	-	1,000	1,400	(400) *
Professional and tech services	1,500	-	1,500	2	1,498
Electricity	2,000	-	2,000	1,985	15
Equipment repairs	2,000	-	2,000	243	1,757
Waste recycling disposal/hauling	260,000	-	260,000	243,011	16,989
Contaminated material disposal	2,000	-	2,000	4,244	(2,244) *
NEROC fees	3,500	-	3,500	1,273	2,227
Site maint material handling	1,000	-	1,000	-	1,000
Household chemical	3,000	-	3,000	4,423	(1,423) *
Printing and binding	5,000	-	5,000	1,022	3,978
Telephone	650	-	650	670	(20) *
Equipment parts	2,000	-	2,000	-	2,000
Permits and licensing	2,500	-	2,500	800	1,700
	<u>380,360</u>	<u>-</u>	<u>380,360</u>	<u>357,593</u>	<u>22,767</u>
Subtotal Public Works	<u>1,077,872</u>	<u>9,676</u>	<u>1,087,548</u>	<u>1,027,263</u>	<u>60,285</u>
Civic and Cultural					
Area Agencies					
Dial a Ride	2,599	-	2,599	2,599	-
Eastern CT Conservation District	500	-	500	500	-
Sexual Assault Crisis Center	500	-	500	500	-
Thames Valley Council	2,057	-	2,057	2,057	-
C.O.S.T.	975	-	975	975	-
CCM	2,704	-	2,704	2,704	-
CT Legal Services	1,000	-	1,000	1,000	-
Eastern Highlands Health Dept.	24,329	-	24,329	24,329	-
Walking Weekend	500	-	500	500	-
NECCOG	4,605	-	4,605	4,605	-
Regional Probate Court	4,602	-	4,602	5,000	(398) *
Access Comm Action	1,000	-	1,000	1,000	-
VNHSC	1,000	-	1,000	-	1,000
United Services	3,018	-	3,018	3,018	-
	<u>49,389</u>	<u>-</u>	<u>49,389</u>	<u>48,787</u>	<u>602</u>
Agent for Elderly					
Part time wages	6,425	-	6,425	5,108	1,317
Program expenses	1,330	-	1,330	661	669
	<u>7,755</u>	<u>-</u>	<u>7,755</u>	<u>5,769</u>	<u>1,986</u>
Commission on Aging					
Program expenses	700	-	700	240	460
	<u>700</u>	<u>-</u>	<u>700</u>	<u>240</u>	<u>460</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Civic and Cultural <i>(Continued)</i>					
Sexton					
Sexton wages	4,000	-	4,000	3,200	800
Conf/dues/school	250	-	250	-	250
Contracted services	10,000	-	10,000	9,609	391
Cemetery repair supplies	3,000	659	3,659	5,400	(1,741) *
Signs and signals	200	-	200	-	200
Subscriptions/books	100	-	100	-	100
	<u>17,550</u>	<u>659</u>	<u>18,209</u>	<u>18,209</u>	<u>-</u>
Subtotal Civic and Cultural	<u>75,394</u>	<u>659</u>	<u>76,053</u>	<u>73,005</u>	<u>3,048</u>
Planning and Zoning					
Planning and Zoning					
Recording secretary	1,200	-	1,200	640	560
Other professional and tech services	50,000	-	50,000	48,000	2,000
Conf/dues/school	500	-	500	460	40
Mileage	50	-	50	-	50
Advertising	2,400	-	2,400	2,839	(439) *
Postage	125	-	125	17	108
Subscriptions/books	125	-	125	-	125
Office supplies	800	-	800	244	556
	<u>55,200</u>	<u>-</u>	<u>55,200</u>	<u>52,200</u>	<u>3,000</u>
ZBA					
Conf/dues/school	500	-	500	-	500
Advertising	500	-	500	-	500
Postage	25	-	25	-	25
	<u>1,025</u>	<u>-</u>	<u>1,025</u>	<u>-</u>	<u>1,025</u>
Inland Wetlands					
Recording secretary	500	-	500	-	500
Other professional and tech services	11,000	-	11,000	6,612	4,388
Consultants	1,000	-	1,000	-	1,000
Conf/dues/school	1,000	-	1,000	-	1,000
Mileage	10	-	10	-	10
Advertising	400	-	400	-	400
Postage	100	-	100	121	(21) *
Subscriptions/books	50	-	50	2	48
Supplies	300	-	300	-	300
	<u>14,360</u>	<u>-</u>	<u>14,360</u>	<u>6,735</u>	<u>7,625</u>
Conservation					
Conf/dues/school	150	-	150	-	150
Postage	100	-	100	-	100
Mapping	150	-	150	-	150
Subscriptions/books	100	-	100	-	100
Program expenses	1,075	-	1,075	981	94
Supplies	350	-	350	167	183
	<u>1,925</u>	<u>-</u>	<u>1,925</u>	<u>1,148</u>	<u>777</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Planning and Zoning <i>(Continued)</i>					
Building Department					
Building clerk wages	44,444	-	44,444	42,932	1,512
Professional and tech services	36,923	4,766	41,689	42,995	(1,306) *
Postage	100	-	100	60	40
Subscriptions/books	500	-	500	-	500
Office supplies	800	-	800	241	559
Permits and fees	1,500	-	1,500	2,805	(1,305) *
	<u>84,267</u>	<u>4,766</u>	<u>89,033</u>	<u>89,033</u>	<u>-</u>
Economic Development					
Professional and tech services	1,200	-	1,200	150	1,050
Conf/dues/school	100	-	100	85	15
Printing and binding	305	-	305	209	96
Postage	25	-	25	359	(334) *
Signs and signals	150	-	150	-	150
Program expenses	150	-	150	-	150
Office supplies	20	-	20	9	11
	<u>1,950</u>	<u>-</u>	<u>1,950</u>	<u>812</u>	<u>1,138</u>
WPC					
Mileage	1	-	1	-	1
Advertising	1	-	1	-	1
Postage	1	-	1	-	1
Office supplies	1	-	1	-	1
	<u>4</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>
Subtotal Planning and Zoning	<u>158,731</u>	<u>4,766</u>	<u>163,497</u>	<u>149,928</u>	<u>13,569</u>
Education					
Ashford School					
Ashford public schools	8,578,536	-	8,578,536	8,415,708	162,828
Region 19 School					
Region 19 school	3,680,487	-	3,680,487	3,680,487	-
Subtotal Education	<u>12,259,023</u>	<u>-</u>	<u>12,259,023</u>	<u>12,096,195</u>	<u>162,828</u>
Benefits and Insurance					
Employee Benefits					
FICA - 6.2%	73,284	-	73,284	68,310	4,974
Workers compensation	29,467	-	29,467	27,835	1,632
Unemployment	1,000	-	1,000	-	1,000
Medicare - 1.45%	17,139	-	17,139	15,976	1,163
Retirement - 7%	72,401	-	72,401	70,854	1,547
Employee health insurance	316,637	(15,606)	301,031	282,448	18,583
Employee dental insurance	9,871	-	9,871	7,642	2,229
Life insurance	1,880	-	1,880	1,413	467
	<u>521,679</u>	<u>(15,606)</u>	<u>506,073</u>	<u>474,478</u>	<u>31,595</u>

*Continued*

**TOWN OF ASHFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - (BUDGETARY BASIS) - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	ORIGINAL BUDGET	ADDITIONAL APPROPRIATIONS AND TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
Benefits and Insurance <i>(Continued)</i>					
Municipal Insurance					
Municipal insurance	40,170	-	40,170	35,715	4,455
Cyber insurance	6,660	-	6,660	-	6,660
	<u>46,830</u>	<u>-</u>	<u>46,830</u>	<u>35,715</u>	<u>11,115</u>
Subtotal Benefits and Insurance	<u>568,509</u>	<u>(15,606)</u>	<u>552,903</u>	<u>510,193</u>	<u>42,710</u>
Debt and Sundry					
Debt					
GOB 2013 principal	30,000	-	30,000	30,000	-
GOB 2013 interest	13,000	-	13,000	13,000	-
	<u>43,000</u>	<u>-</u>	<u>43,000</u>	<u>43,000</u>	<u>-</u>
Contingency					
Contingency	31,000	(25,771)	5,229	-	5,229
	<u>31,000</u>	<u>(25,771)</u>	<u>5,229</u>	<u>-</u>	<u>5,229</u>
Subtotal Debt and Sundry	<u>74,000</u>	<u>(25,771)</u>	<u>48,229</u>	<u>43,000</u>	<u>5,229</u>
Capital Outlay					
Capital - Transfer to Other Funds					
Volunteer fire and ambulance	449,665	-	449,665	449,665	-
Recreation fund	118,897	16,801	135,698	135,698	-
Babcock library	185,000	-	185,000	185,000	-
Animal control fund	19,208	-	19,208	19,208	-
Youth/social services program	59,305	-	59,305	59,305	-
Capital nonrecurring fund	-	872,963	872,963	872,963	-
Subtotal Capital Outlay	<u>832,075</u>	<u>889,764</u>	<u>1,721,839</u>	<u>1,721,839</u>	<u>-</u>
Total Expenditures	<u>16,098,273</u>	<u>889,764</u>	<u>16,988,037</u>	<u>16,600,534</u>	<u>387,503</u>
Excess (deficiency) of revenues over expenditures - Budgetary Basis	<u>\$ -</u>	<u>\$ (889,764)</u>	<u>\$ (889,764)</u>	<u>\$ 48,694</u>	<u>\$ 938,458</u>
Adjustments to Generally Accepted Accounting Principals (GAAP):					
On behalf revenues from teacher's retirement pension and OPEB netted in budget				1,034,324	
On behalf expenditures from teacher's retirement pension and OPEB netted in budget				(1,034,324)	
Excess cost grant netted with Board of Education expenditures in budget				170,195	
Board of Education expenditures netted with excess cost grant				(170,195)	
Transfer of unspent FYE 2023 funds to Board of Education Nonlapsing Fund				(84,215)	
Transfer of unspent FYE 2024 funds to Board of Education Nonlapsing Fund				(162,828)	
General Fund - sub fund activity:					
Babcock Library Fund - revenues				6,621	
Babcock Library Fund - expenditures				(182,055)	
Babcock Library Fund - transfers in				185,000	
300th Anniversary Fund - revenues				166	
300th Anniversary Fund - expenditures				(761)	
Board of Education Nonlapsing Fund - transfers in				<u>247,043</u>	
Excess (deficiency) of revenues over expenditures - GAAP Basis				<u>\$ 57,665</u>	

\* Indicates over-expended line item

**TOWN OF ASHFORD, CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF**  
**THE NET PENSION LIABILITY**  
**CONNECTICUT TEACHERS' RETIREMENT SYSTEM**  
**LAST TEN FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net pension liability	\$ 12,210,558	\$ 14,002,451	\$ 10,879,753	\$ 13,736,915	\$ 13,062,008	\$ 10,071,567	\$ 10,347,614	\$ 10,916,812	\$ 8,249,096	\$ 7,624,636
Town's covered payroll *	\$ 3,192,946	\$ 3,322,110	\$ 3,449,643	\$ 3,281,019	\$ 3,118,980	\$ 3,087,091	\$ 2,985,239	\$ 3,059,000	\$ 3,017,503	\$ 2,841,462
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

NOTES TO THE SCHEDULE:

\* Covered payroll is an estimated figure.

The Town is not required to contribute to the plan. The State contributes on behalf of the Town.

The total pension liability reported for each fiscal year is based on a measurement date as of the end of the prior fiscal year (i.e. the total pension liability reported for 2024 is based on a June 30, 2023 actuarial valuation and a June 30, 2023 measurement date).

*Benefit changes:* There were no changes in benefit terms that affected the measurement of the total pension liability.

*Changes in assumptions:* The total pension liability was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.50% (No change)
Salary increase	3.00-6.50%, including inflation (No change)
Investment rate of return	6.90%, (No change) net of pension plan investment expenses, including inflation

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



**TOWN OF ASHFORD, CONNECTICUT**  
**SCHEDULE OF THE CHANGES IN TOTAL OPEB LIABILITY**  
**AND RELATED RATIOS**  
**OTHER POST EMPLOYMENT BENEFITS PLAN**  
**BOARD OF EDUCATION**  
**LAST SEVEN FISCAL YEARS\***

	2024	2023	2022	2021	2020	2019	2018
Beginning Balance	\$ 440,921	\$ 947,872	\$ 894,977	\$ 788,209	\$ 375,173	\$ 767,971	\$ 815,987
Changes for the year:							
Service cost	14,201	27,834	29,686	22,855	5,544	2,800	21,721
Interest	17,231	34,167	18,490	23,874	11,017	30,157	19,881
Effect of economic/demographic gains/losses	(7,764)	(531,331)	162,954	(4,533)	337,597	(416,393)	-
Changes of assumptions	(10,673)	(16,382)	(130,401)	95,318	86,017	24,681	(57,235)
Benefit payments	(17,592)	(21,239)	(27,834)	(30,746)	(27,139)	(34,043)	(32,383)
Net changes	(4,597)	(506,951)	52,895	106,768	413,036	(392,798)	(48,016)
Ending Balance	\$ 436,324	\$ 440,921	\$ 947,872	\$ 894,977	\$ 788,209	\$ 375,173	\$ 767,971

**NOTES TO SCHEDULE**

There are no assets being accumulated in a trust to pay benefits that meet the criteria of GASB 75.

**Changes in Actuarial Assumptions**

Investment Rate of Return 4.070% as of June 30, 2024 (Prior was 3.86%).

Rate of Compensation Increase 2.900% (Prior was 1.70%).

Mortality Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF ASHFORD, CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF**  
**THE NET OPEB LIABILITY**  
**TEACHERS' RETIREMENT SYSTEM**  
**LAST SEVEN FISCAL YEARS\***

	2024	2023	2022	2021	2020	2019	2018
Town's proportion of the net OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	\$ 1,143,962	\$ 1,226,294	\$ 1,185,329	\$ 2,048,861	\$ 2,037,095	\$ 2,013,400	\$ 2,663,365
Total proportionate share of the collective net pension liability	<u>\$ 1,143,962</u>	<u>\$ 1,226,294</u>	<u>\$ 1,185,329</u>	<u>\$ 2,048,861</u>	<u>\$ 2,037,095</u>	<u>\$ 2,013,400</u>	<u>\$ 2,663,365</u>
Town's covered payroll	\$ 3,192,946	\$ 3,322,110	\$ 3,449,643	\$ 3,281,019	\$ 3,118,980	\$ 3,087,091	\$ 2,985,239
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total OPEB liability	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

**NOTES TO THE SCHEDULE:**

Valuation Date:	June 30, 2023
Inflation	2.50% (No change)
Real wage growth	0.50% (No change)
Wage inflation	3.00% (No change)
Salary increases	3.00-6.50%, including inflation (No change)
Discount rate	3.64% (Prior was 3.53%)
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation (No change)

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

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

## **OTHER SUPPLEMENTARY INFORMATION**

**TOWN OF ASHFORD, CONNECTICUT**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND**  
**JUNE 30, 2024**

**ASSETS**

ASSETS	GENERAL FUND	BARCOCK LIBRARY FUND	KNOWLTON HALL FUND	300th ANNIVERSARY FUND	MISC SPECIAL FUNDS	TOWN AID ROAD FUND	BUILDING FUND	CONTRACTOR BOND FUND	BOARD OF EDUCATION NON-LAPSING FUND	OPEN SPACE FUND	ELIMINATIONS	TOTAL GENERAL FUND
Cash and cash equivalents	\$ 4,575,687	\$ 116,764	673	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ 4,696,124
Restricted cash	-	-	-	-	-	-	-	14,017	-	-	-	14,017
Investments	-	52,220	-	-	-	-	-	-	-	-	-	52,220
Receivables, net	859,034	-	-	-	-	-	-	-	-	-	-	859,034
Due from other funds	138,000	-	-	13,104	9,668	5,730	500	-	508,465	2,042	(677,509)	-
Total current assets	\$ 5,572,721	\$ 168,984	\$ 673	\$ 13,104	\$ 9,668	\$ 5,730	\$ 500	\$ 17,017	\$ 508,465	\$ 2,042	\$ (677,509)	\$ 5,621,395

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE**

<b>LIABILITIES</b>												
Accounts payable and accrued items	\$ 825,339	\$ 1,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 826,430
Performance bonds	-	-	-	-	-	-	-	14,017	-	-	-	14,017
Due to other funds	1,603,418	-	-	-	-	-	-	3,000	135,000	-	(677,509)	1,063,909
Total current liabilities	2,428,757	1,091	-	-	-	-	-	17,017	135,000	-	(677,509)	1,904,356
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Revenue - unavailable	791,656	-	-	-	-	-	-	-	-	\$ -	-	791,656
Total deferred inflows of resources	791,656	-	-	-	-	-	-	-	-	-	-	791,656
Total liabilities and deferred inflows of resources	3,220,413	1,091	-	-	-	-	-	17,017	135,000	-	(677,509)	2,696,012
<b>FUND BALANCE</b>												
Restricted	-	-	-	-	-	-	-	-	-	-	-	-
Committed	-	167,893	673	13,104	9,668	5,730	500	-	373,465	-	-	373,465
Unassigned	2,352,308	-	-	-	-	-	-	-	-	2,042	-	199,610
Total fund balance	2,352,308	167,893	673	13,104	9,668	5,730	500	-	373,465	2,042	-	2,352,308
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,572,721	\$ 168,984	\$ 673	\$ 13,104	\$ 9,668	\$ 5,730	\$ 500	\$ 17,017	\$ 508,465	\$ 2,042	\$ (677,509)	\$ 5,621,395

**TOWN OF ASHFORD, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	GENERAL FUND	BABCOCK LIBRARY FUND	KNOWLTON HALL FUND	300th ANNIVERSARY FUND	MISC SPECIAL FUNDS	TOWN AID ROAD FUND	BUILDING FUND	CONTRACTOR BOND FUND	BOARD OF EDUCATION NON-LAPSING FUND	OPEN SPACE FUND	ELIMINATIONS	TOTAL GENERAL FUND
<b>REVENUES</b>												
Property taxes, interest, and lien fees	\$ 12,378,588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,378,588
Intergovernmental revenues	5,020,303	1,442	-	-	-	-	-	-	-	-	-	5,021,745
Local revenue	248,572	3,018	-	-	-	-	-	-	-	-	-	251,590
Investment income	205,590	1,725	-	-	-	-	-	-	-	-	-	207,315
Miscellaneous revenue	694	436	-	166	-	-	-	-	-	-	-	1,296
Total revenues	17,853,747	6,621	-	166	-	-	-	-	-	-	-	17,860,534
<b>EXPENDITURES</b>												
Current												
General government	967,157	-	-	761	-	-	-	-	-	-	-	967,918
Public safety	469,502	-	-	-	-	-	-	-	-	-	-	469,502
Public works	1,027,263	-	-	-	-	-	-	-	-	-	-	1,027,263
Health, welfare and sanitation	54,796	-	-	-	-	-	-	-	-	-	-	54,796
Planning and development	160,254	-	-	-	-	-	-	-	-	-	-	160,254
Education	13,300,714	-	-	-	-	-	-	-	-	-	-	13,300,714
Library	-	182,055	-	-	-	-	-	-	-	-	-	182,055
Employee benefits and insurance	510,193	-	-	-	-	-	-	-	-	-	-	510,193
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Principal	30,000	-	-	-	-	-	-	-	-	-	-	30,000
Interest and fiscal charges	13,000	-	-	-	-	-	-	-	-	-	-	13,000
Total expenditures	16,532,879	182,055	-	761	-	-	-	-	-	-	-	16,715,695
Excess (deficiency) of revenues over expenditures	1,320,868	(175,434)	-	(595)	-	-	-	-	-	-	-	1,144,839
<b>OTHER FINANCING USES</b>												
Transfers in	-	185,000	-	-	-	-	-	-	247,043	-	(432,043)	-
Transfers out	(1,519,217)	185,000	-	-	-	-	-	-	247,043	-	432,043	(1,087,174)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(198,349)	9,566	-	(595)	-	-	-	-	247,043	-	-	57,665
FUND BALANCE, beginning of year	2,550,657	158,327	673	13,699	9,668	5,730	500	-	126,422	2,042	-	2,867,718
FUND BALANCE, end of year	\$ 2,352,308	\$ 167,893	\$ 673	\$ 13,104	\$ 9,668	\$ 5,730	\$ 500	\$ -	\$ 373,465	\$ 2,042	\$ -	\$ 2,925,383

**TOWN OF ASHFORD, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024**

**ASSETS**

	SPECIAL REVENUE FUNDS						
	ANIMAL FUND	SCHOOL CAFETERIA FUND	EDUCATIONAL GRANTS FUND	PRESERVATION OF HISTORICAL RECORDS FUND	RECREATION FUND	STUDENT ACTIVITIES FUND	OPIOID FUND
ASSETS							
Cash and cash equivalents	\$ -	\$ 103,313	\$ -	\$ 18,028	\$ -	\$ 19,857	\$ -
Investments	-	-	-	-	-	-	-
Receivables, net	-	23,069	-	-	-	-	-
Inventories	-	7,667	-	-	-	-	-
Due from other funds	12,536	-	73,645	9,900	26,103	-	20,986
Prepaid expenditures	-	-	-	-	3,700	-	-
Total current assets	\$ 12,536	\$ 134,049	\$ 73,645	\$ 27,928	\$ 29,803	\$ 19,857	\$ 20,986

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE**

LIABILITIES							
Accounts payable and accrued items	\$ 3,915	\$ -	\$ 23,912	\$ -	\$ 11,756	\$ -	\$ -
Unearned revenues	-	-	49,733	-	6,762	-	-
Due to other funds	-	-	-	-	-	-	-
Total current liabilities	3,915	-	73,645	-	18,518	-	-
DEFERRED INFLOWS OF RESOURCES							
Revenue - unavailable	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Total liabilities and deferred inflows of resources	3,915	-	73,645	-	18,518	-	-
FUND BALANCE							
Nonspendable	-	7,667	-	-	3,700	-	-
Restricted	-	-	-	27,928	-	19,857	20,986
Assigned	8,621	126,382	-	-	7,585	-	-
Total fund balance	8,621	134,049	-	27,928	11,285	19,857	20,986
Total liabilities, deferred inflows of resources, and fund balance	\$ 12,536	\$ 134,049	\$ 73,645	\$ 27,928	\$ 29,803	\$ 19,857	\$ 20,986

*Continued*

**TOWN OF ASHFORD, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024**

**ASSETS**

	SPECIAL REVENUE FUNDS				PERMANENT FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	NIPS FUND	AYSB FUND	CLERK SPECIAL FUND	TOWN FUND	VETERANS MEMORIAL FUND	BAND AND LIBRARY FUND	CEMETERY FUND
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	-	\$ 6,367	\$ 37,632
Investments	-	-	-	-	-	-	75,275
Receivables, net	-	675	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Due from other funds	7,827	51,527	36,981	-	2,137	-	-
Prepaid expenditures	-	-	-	-	-	-	-
Total assets	<u>\$ 7,827</u>	<u>\$ 52,202</u>	<u>\$ 36,981</u>	<u>\$ 36,981</u>	<u>\$ 2,137</u>	<u>\$ 6,367</u>	<u>\$ 112,907</u>
							<u>\$ 537,225</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE**

<b>LIABILITIES</b>									
Accounts payable and accrued items	\$ -	\$ 8,967	\$ -	\$ -	-	\$ -	-	\$ -	\$ 48,550
Unearned revenues	-	-	-	-	-	-	-	-	56,495
Due to other funds	-	-	-	-	-	-	9,519	-	9,519
Total current liabilities	<u>-</u>	<u>8,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,519</u>	<u>-</u>	<u>114,564</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Revenue - unavailable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>8,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,519</u>	<u>-</u>	<u>114,564</u>
<b>FUND BALANCE</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	7,827	-	-	36,981	-	6,000	75,000	92,367	92,367
Assigned	-	43,235	-	-	2,137	367	28,388	142,334	142,334
Total fund balance	<u>7,827</u>	<u>43,235</u>	<u>-</u>	<u>36,981</u>	<u>2,137</u>	<u>6,367</u>	<u>-</u>	<u>187,960</u>	<u>187,960</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 7,827</u>	<u>\$ 52,202</u>	<u>\$ 36,981</u>	<u>\$ 36,981</u>	<u>\$ 2,137</u>	<u>\$ 6,367</u>	<u>\$ 112,907</u>	<u>\$ 537,225</u>	<u>\$ 537,225</u>

**TOWN OF ASHFORD, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024**

	SPECIAL REVENUE FUNDS						
	ANIMAL FUND	SCHOOL CAFETERIA FUND	EDUCATIONAL GRANTS FUND	PRESERVATION OF HISTORICAL RECORDS FUND	RECREATION FUND	STUDENT ACTIVITIES FUND	OPIOID FUND
REVENUES							
Intergovernmental revenues	\$ -	\$ 150,502	\$ 619,062	\$ 6,000	\$ -	\$ -	\$ -
Local revenue	4,849	84,376	-	1,620	31,623	16,158	-
Investment income	-	-	-	9	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	11,320
Total revenues	4,849	234,878	619,062	7,629	31,623	16,158	11,320
EXPENDITURES							
Current							
General Government	-	-	-	6,000	-	-	-
Public safety	29,542	-	-	-	-	-	-
Health, welfare and sanitation	-	-	-	-	-	-	900
Education	-	244,965	619,062	-	-	14,074	-
Recreation	-	-	-	-	139,235	-	-
Total expenditures	29,542	244,965	619,062	6,000	139,235	14,074	900
Excess (deficiency) of revenues over expenditures	(24,693)	(10,087)	-	1,629	(107,612)	2,084	10,420
OTHER FINANCING USES							
Transfers in	19,208	-	-	-	135,698	-	-
Transfers out	19,208	-	-	-	135,698	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(5,485)	(10,087)	-	1,629	28,086	2,084	10,420
FUND BALANCE, beginning of year	14,106	144,136	-	26,299	(16,801)	17,773	10,566
FUND BALANCE, end of year	\$ 8,621	\$ 134,049	\$ -	\$ 27,928	\$ 11,285	\$ 19,857	\$ 20,986

*Continued*



**TOWN OF ASHFORD, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	SPECIAL REVENUE FUNDS				PERMANENT FUNDS			TOTAL
	NIPS FUND	AYSB FUND	TOWN CLERK SPECIAL FUND	VETERANS MEMORIAL FUND	BAND AND LIBRARY FUND	CEMETERY FUND	NONMAJOR GOVERNMENTAL FUNDS	
REVENUES								
Intergovernmental revenues	\$ -	\$ 21,048	\$ -	\$ -	\$ -	\$ -	\$ 796,612	
Local revenue	12,101	24,648	1,110	-	-	1,200	177,685	
Investment income	-	-	-	-	4	4,409	4,422	
Miscellaneous revenue	-	-	-	-	-	-	11,320	
Total revenues	12,101	45,696	1,110	-	4	5,609	990,039	
EXPENDITURES								
Current								
General Government	6,270	-	-	-	-	-	12,270	
Public safety	-	-	-	-	-	-	29,542	
Health, welfare and sanitation	-	90,690	-	-	-	-	91,590	
Education	-	-	-	-	-	-	878,101	
Recreation	-	-	-	-	-	-	139,235	
Total expenditures	6,270	90,690	-	-	-	-	1,150,738	
Excess (deficiency) of revenues over expenditures	5,831	(44,994)	1,110	-	4	5,609	(160,699)	
OTHER FINANCING USES								
Transfers in	-	59,305	-	-	-	-	214,211	
Transfers out	-	-	-	-	-	-	-	
	-	59,305	-	-	-	-	214,211	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,831	14,311	1,110	-	4	5,609	53,512	
FUND BALANCE, beginning of year	1,996	28,924	35,871	2,137	6,363	97,779	369,149	
FUND BALANCE, end of year	\$ 7,827	\$ 43,235	\$ 36,981	\$ 2,137	\$ 6,367	\$ 103,388	\$ 422,661	

**TOWN OF ASHFORD, CONNECTICUT**  
**SCHEDULE OF CHANGES IN FUND BALANCE - BY PROJECT**  
**CAPITAL NONRECURRING FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	BEGINNING BALANCE	TRANSFERS IN BUDGET ADDITIONS	ADDITIONS (REVENUES POSTED)	REDUCTIONS (EXPENDITURES POSTED)	GASB 54 ADJUSTMENT FOR PRESENTATION	ENDING BALANCE
Committed fund balance						
Brownfields - Cadle Property Remediation	\$ -	\$ -	\$ -	-	\$ -	-
Revaluation	14,395	15,000	-	-	-	29,395
Replace Heat Exchanger - Ashford School	193	-	-	-	-	193
Oil Tank Replacement	269,968	-	-	(177,993)	-	91,975
Roof Replacement - Ashford School	28,139	-	-	(1,748,705)	1,720,566	-
Fire Truck	51,666	74,250	-	(71,266)	-	54,650
Road Resurfacing	(8,203)	7,400	220,375	(188,770)	-	30,802
Southworth Drive - STEAP Grant	-	-	-	-	-	-
Playscape	564	-	-	-	-	564
Mini Excavator	(562)	40,000	-	(39,079)	-	359
Dump Truck	44,000	44,000	-	-	-	88,000
School Mid Bus	-	90,000	-	(88,506)	-	1,494
School Van Replacement	-	34,500	-	(35,285)	785	-
Generator Replacement	75,497	44,503	19,885	(95,382)	-	44,503
Fire Alarm System	-	56,292	-	(57,495)	1,203	-
TOB Repairs and Upgrades	-	10,000	-	(7,750)	-	2,250
Cadlerock Planning Assessment	-	-	-	-	-	-
Volunteer Fire Department Roof Replacement	-	99,000	-	-	-	99,000
Volunteer Fire Department - Solar Reinstallation	-	15,000	-	-	-	15,000
Total committed fund balance	475,657	529,945	240,260	(2,510,231)	1,722,554	458,185
Assigned fund balance						
General government	(86,000)	343,018	64	-	(1,722,554)	(1,465,472)
Total assigned fund balance	(86,000)	343,018	64	-	(1,722,554)	(1,465,472)
Total fund balance	\$ 389,657	\$ 872,963	\$ 240,324	\$ (2,510,231)	\$ -	\$ (1,007,287)

See independent auditors' report

**TOWN OF ASHFORD, CONNECTICUT  
REPORT OF THE PROPERTY TAX COLLECTOR  
FOR THE YEAR ENDED JUNE 30, 2024**

Grand List	Taxes Receivable	Current Year Levy	Lawful Corrections		Net Taxes Collectible	Collections During the Year			Total	Credits	Taxes Receivable June 30, 2024
	July 1, 2023		Year	Levy		Interest		Refunds			
						Additions	Deductions				
2022	\$ -	\$ 12,298,858	\$ 6,667	\$ 34,540	\$ 12,270,985	\$ 12,084,839	\$ 45,521	\$ 6,068	\$ 12,136,428	\$ 2,993	\$ 189,139
2021	219,957	-	3,409	2,019	221,347	105,008	24,212	805	130,025	2,247	118,586
2020	113,939	-	630	1,351	113,218	42,088	15,635	10	57,733	517	71,647
2019	52,223	-	1	-	52,224	7,045	4,779	-	11,824	37	45,216
2018	42,107	-	-	1	42,106	3,524	2,832	-	6,356	-	38,582
2017	42,913	-	-	-	42,913	3,089	3,026	-	6,115	-	39,824
2016	30,206	-	-	-	30,206	3,635	5,293	-	8,928	14	26,585
2015	31,133	-	-	-	31,133	5,358	8,636	-	13,994	14	25,789
2014	22,144	-	-	-	22,144	3,593	3,416	-	7,009	-	18,551
2013	17,066	-	-	-	17,066	624	1,037	-	1,661	-	16,442
2012	11,525	-	-	-	11,525	244	450	-	694	-	11,281
Prior	44,337	-	-	7,836	36,501	-	-	-	-	-	36,501
	\$ 627,550	\$ 12,298,858	\$ 10,707	\$ 45,747	\$ 12,891,368	\$ 12,259,047	\$ 114,837	\$ 6,883	\$ 12,380,767	\$ 5,822	\$ 638,143

## APPENDIX B – FORM OPINION OF BOND COUNSEL

July \_\_, 2025

Town of Ashford  
5 Town Hall Road  
Ashford, CT 06278

We have acted as Bond Counsel to the Town of Ashford, Connecticut (the “Town”) in connection with the issuance by the Town of its \$\_\_\_\_\_ General Obligation Bond Anticipation Notes (the “Notes”) dated July \_\_, 2025. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Regulatory Agreement of the Town dated the date hereof (the “Agreement”)) as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the Town and certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that when the Notes are duly certified by U.S. Bank Trust Company, National Association, the Notes will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Notes in order that interest on the Notes be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes to ensure that interest on the Notes shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Notes.

In rendering the below opinions regarding the federal treatment of interest on the Notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the covenants set forth in the Agreement as to such tax matters.

The Town has designated the Notes as “qualified tax exempt obligations” within the meaning of Code Section 265(b)(3) for purposes of the deduction by financial institutions for interest expense allocable to the Notes.

Based on the foregoing, we are of the opinion that interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes. We express no opinion regarding other federal tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We are further of the opinion that, under existing statutes, interest on the Notes is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state and other State of Connecticut tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Notes.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances or changes in law that may come later to our attention or occur.

Respectfully,

PULLMAN & COMLEY, LLC

## APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

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

### **Continuing Disclosure Agreement**

This Continuing Disclosure Agreement ("Agreement") is made as of July \_\_, 2025 by the Town of Ashford, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of \$\_\_\_\_\_ General Obligation Bond Anticipation Notes, dated as of July \_\_, 2025 of the Issuer (the "Notes"), 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:

"Final Official Statement" means the official statement of the Issuer dated July \_\_, 2025 prepared in connection with the Notes.

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"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. Notice of Certain Events.**

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository, 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 notes, 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 Issuer;

(m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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, 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 the financial obligation of the Issuer, any of which reflect financial difficulties.

*Events (d) and (e).* The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes, unless the Issuer applies for or participates in obtaining the enhancement.

*Event (f).* Event (f) is relevant only to the extent interest on the Notes is excluded from gross income for federal income tax purposes.

*Event (h).* The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not otherwise contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Notes will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Note to be redeemed as required under the terms of the Notes, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Note purchases.

*Events (o) and (p).* 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 MSRB pursuant to the Rule.

### **Section 3. Use of Agents.**

Notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

### **Section 4. Termination.**

The obligations of the Issuer 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 Issuer ceases to be an obligated person with respect to the Notes within the meaning of the Rule.

### **Section 5. Enforcement.**

The Issuer acknowledges that the undertakings set forth in Section 2 of 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 Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding five business days with respect to the undertakings set forth in Section 2 of this Agreement) from the time the Issuer's Treasurer, or a successor, receives written notice from any beneficial owner of the Notes of such failure. The present address of the Finance Treasurer is 5 Town Hall Road, Ashford, Connecticut 06278.

In the event the Issuer 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 parties expressly acknowledge and 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 6. Miscellaneous.**

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Section 2 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer 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 Issuer from providing such information, data or additional notices from time to time as it deems appropriate in connection with the Notes. If the Issuer elects to provide any such information, data or additional notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further information, data or additional notices of the type so provided.

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

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change 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 Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Notes, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF ASHFORD, CONNECTICUT

By: \_\_\_\_\_  
CATHRYN E. SILVER-SMITH  
First Selectman

By: \_\_\_\_\_  
SHERRI SOUCY  
Treasurer



## APPENDIX D - NOTICE OF SALE

### NOTICE OF SALE

#### **TOWN OF ASHFORD, CONNECTICUT \$1,600,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES (BANK QUALIFIED) OPTION FOR NO BOOK-ENTRY**

NOTICE IS GIVEN that TELEPHONE BIDS and ELECTRONIC BIDS via PARITY® (as described herein) will be received by the TOWN OF ASHFORD, CONNECTICUT (the “Issuer”), until 11:00 A.M. (E.T.) on TUESDAY,

JULY 8, 2025

(the “Sale Date”) for the purchase of the Issuer’s \$1,600,000 General Obligation Bond Anticipation Notes (the “Notes”). Telephone bids will be received by an authorized agent of Munistat Services, Inc., the Issuer’s municipal advisor (see “Telephone Bidding Procedures”). Electronic bids must be submitted via **PARITY**® (see “Electronic Bidding Procedures”).

#### **The Notes**

The Notes are expected to be dated July 22, 2025 and will mature and be payable to the registered owner on July 21, 2026 as further described in the Preliminary Official Statement (as hereinafter defined). The Notes will bear interest (which interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

#### **Nature of Obligation**

The Notes will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Notes when due. Unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended. The information in this Notice of Sale is only a brief summary of certain provisions of the Notes. For further information about the Notes, reference is hereby made to the Preliminary Official Statement.

#### **Bank Qualification**

The Notes SHALL be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Notes.

#### **Registration**

The Notes will be issued by means of a book-entry 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. A book-entry system will be employed, evidencing ownership of the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser(s), 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 Issuer 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 Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Notes directly to DTC so long as DTC or its nominee, Cede & Co., is the Noteholder.

### **Option For No Book-Entry.**

A bidder for the Notes may request that the Notes be issued in the form of a single fully registered physical certificate in the par amount of the Notes, rather than in book-entry form through the facilities of DTC, provided the bid is for all of the Notes at the same interest rate. A bidder for the Notes requesting that the Notes be issued in non-book-entry form may request that it be designated by the Issuer as the Certifying Agent, Registrar and Paying Agent for the Notes if it is a bank or trust company authorized to act in such capacity pursuant to the Connecticut General Statutes. Any bidder seeking to have the Notes issued in non-book-entry form, or to be designated as Certifying Agent, Registrar and Paying Agent for such Notes, shall indicate this preference to the Issuer at the time of the submission of the bid. The Issuer reserves the right to decline any request to issue the Notes in non-book-entry form, or to designate the winning bidder as Certifying Agent, Registrar and Paying Agent for the Notes, if it should determine, in its sole discretion, that issuing the Notes in such manner or with such designation is not in its best interests. If the Notes are issued in non-book-entry form, the winning bidder, and any subsequent registered owner of the Notes, shall not impose on or charge the Issuer any costs or expenses of any re-registration or transfer of Notes from time to time, including any costs of counsel or of converting the Notes to book-entry only form, or for any costs or expenses of services as Certifying Agent, Registrar and Paying Agent for the Notes if the winning bidder is so designated. The terms and covenants of the Notes issued in non-book-entry form shall be the same as if the Notes were issued in book-entry form, except as required to reflect that the Notes are non-book-entry and the designation of the purchaser as Certifying Agent, Registrar and Paying Agent.

### **Bid Specifications; Basis of Award; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms**

Each bid for the purchase of the Notes must be, (i) if submitted by telephone, provide the information in the form of the Proposal for Notes attached hereto, or (ii) if submitted electronically, in accordance with the requirements prescribed herein. Except as required under “Option For No Book-Entry” above, a proposal may be for all or any part of the Notes but any proposal for a part must be for at least \$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. Unless all bids are rejected, the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost (“NIC”), computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Issuer, the award will be made on the basis of the highest principal amount of the Notes specified. No bid for less than par and accrued interest, if any, will be considered and the Issuer reserves the right to award to any bidder all or any part of the Notes bid for in its proposal. If a bidder is awarded only a part of the Notes bid for in its proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Issuer 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 six decimal places. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to cancel or postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a cancellation or postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Notes in accordance with the provisions of this Notice of Sale.

### **Electronic Bidding Procedures**

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY**<sup>®</sup>. Subscription to the BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Issuer will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY**<sup>®</sup> shall be deemed an irrevocable offer to purchase the Notes on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Issuer. By submitting a bid for the Notes via **PARITY**<sup>®</sup>, the bidder represents and warrants to the Issuer that such bidder's bid 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 bid by the Issuer 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 Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of **PARITY**<sup>®</sup>, or the inaccuracies of any information, including bid information or worksheets supplied by **PARITY**<sup>®</sup>, the use of **PARITY**<sup>®</sup> facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

If any provisions of this Notice of Sale shall conflict with information provided by **PARITY**<sup>®</sup> as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about **PARITY**<sup>®</sup>, including any fee charged, may be obtained from **PARITY**<sup>®</sup>, 1359 Broadway, 36<sup>th</sup> Street, 2<sup>nd</sup> Floor, New York, NY 10018, Attention: Customer Service Department (telephone: (212) 849-5021 or (212) 849-5023 - email notice: [munis@spglobal.com](mailto:munis@spglobal.com) or [parity@i-deal.com](mailto:parity@i-deal.com).

For purposes of the telephone bidding process and the electronic bidding process, the time as maintained by **PARITY**<sup>®</sup> shall constitute the official time. For information purposes only, bidders are requested to state in their bids the net interest cost to the Issuer, as described under "Bid Specifications; Basis of Award; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms" above, and in the written form of Proposal for Notes. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and form of Proposal for Notes.

**Disclaimer.** Each **PARITY**<sup>®</sup> prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY**<sup>®</sup> for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Issuer nor **PARITY**<sup>®</sup> shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer nor **PARITY**<sup>®</sup> shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**<sup>®</sup>. The Issuer is using **PARITY**<sup>®</sup> as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Notes. The Issuer is not bound by any advice and determination of **PARITY**<sup>®</sup> to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY**<sup>®</sup> are the sole responsibility of the bidders; and the Issuer 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 bid for the Notes, the prospective bidder should telephone **PARITY**<sup>®</sup> at (212) 849-5021 or (212) 849-5023.

### **Telephone Bidding Procedures**

Telephone bids will be received until 11:00 A.M. (E.T.) on the Sale Date by an authorized agent of Munistat Services, Inc., the Issuer's municipal advisor. All telephone bids must be made to (203) 421-2087 and be completed by 11:00 A.M. (E.T.) on the Sale Date. Bidders should be prepared to provide the information set forth in the "Proposal for Notes" attached hereto.

Bidders shall recognize that a bid by telephone means that the bidder accepts the terms and conditions of this Notice of Sale and agrees to be bound by such and, further, such bidder recognizes and accepts the risk that its telephone bid may not be received by the Issuer or may be received later than the time specified as the result of a failure in communications including, but not limited to, a failure in telephonic communications, or the inability to reach the Issuer by the time required. A bid received after the time specified, as determined in the Issuer's sole discretion, will not be reviewed or honored by the Issuer.

### **CUSIP Numbers**

The deposit of the Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the purchaser to apply for CUSIP numbers for the Notes prior to delivery. Neither the failure to print such CUSIP number on any note, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

## **Certifying Agent, Registrar, Paying Agent and Transfer Agent**

Unless otherwise provided for herein, the Notes will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

## **Delivery, Payment and Closing Requirements**

At or prior to the delivery of the Notes the winning bidder shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel (“Bond Counsel”) (see “Bond Counsel Opinion” below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Notes, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Notes or the power of the Issuer to levy and collect taxes to pay them; (c) a copy of the Official Statement prepared for this note issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Notes.

Unless otherwise provided for herein, the Notes will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer (“FAST”) on or about July 22, 2025 (the “Closing Date”).

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer’s costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Notes for sale under securities or “Blue Sky” laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

## **Bond Counsel Opinion**

The legality of the issue will be passed upon by Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Notes are valid and binding obligations of the Issuer. Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Notes deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Notes awarded to such bidder, as described below under “Establishment of Issue Price”.

## **Establishment of Issue Price**

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the “Code”) relating to the exclusion of interest on the Notes from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Notes an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Notes, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: [grybacki@pullcom.com](mailto:grybacki@pullcom.com) and (2) the Municipal Advisor at Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: [Mark.Chapman@munistat.com](mailto:Mark.Chapman@munistat.com) (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the 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 requirements 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 or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds or notes such as the Notes, represents that such bidder's bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees (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 (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

**Notification of Contact Information of Winning Bidder.** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this "Establishment of Issue Price" section.

**Competitive Sale Rule.** The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "Competitive Sale Rule") because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes; and
- (4) the Issuer anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest net interest cost, as set forth in this Notice of Sale.

**Competitive Sale Rule Met.** The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. The winning bidder will be required to deliver to Bond Counsel on behalf of the Issuer prior to the delivery of the Notes a completed "Certificate as to Issue Price" (in form satisfactory to Bond Counsel) for such Notes, setting forth the Initial Offering Price. If the winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale of such Maturity to the Public, then the winning bidder shall provide Bond Counsel and the Municipal Advisor a completed "Certificate as to Issue Price" (in form satisfactory to Bond Counsel) for such Notes.

**Competitive Sale Rule Not Met.** In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Notes (the "Actual Sales Rule") is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Notes as the issue price of that Maturity (the "Hold-the-Offering-Price Rule"), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (A)(I) of the first price at which ten percent (10%) of each Maturity has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities that satisfy the Actual Sales Rule as of the Sale Date, and (B) those Maturities that the winning bidder is purchasing for its own account and not with a view to distribution or resale of such Maturity to the Public. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Notes shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.



For those Maturities of Notes subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Notes (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Notes to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Notes, that each Underwriter will neither offer nor sell unsold Notes of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Notes with the same credit and payment terms. Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

## Official Statement

For more information regarding the Notes or the Issuer, reference is made to the Preliminary Official Statement dated June 27, 2025 (the “Official Statement”) describing the Notes and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at [www.i-dealprospectus.com](http://www.i-dealprospectus.com) and [www.munistat.com](http://www.munistat.com), and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: [Mark.Chapman@munistat.com](mailto:Mark.Chapman@munistat.com). The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Notes or by the seventh (7th) business day after the day bids on the Notes are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Notes, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

## Continuing Disclosure Agreement

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide notice of the occurrence of certain events with respect to the Notes within ten (10) business days of such event. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser’s obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to delivery of the Notes, an executed Agreement.

TOWN OF ASHFORD, CONNECTICUT

CATHRYN E. SILVER-SMITH  
First Selectman

SHERRI SOUCY  
Treasurer

June 27, 2025

(See attached for form of Proposal for Notes)

## PROPOSAL FOR NOTES

Cathryn E. Silver-Smith, First Selectman  
Sherri Soucy, Treasurer  
Town of Ashford  
c/o Munistat Services, Inc.  
**Telephone No. (203) 421-2087**

Ashford Town Officials:

Subject to the provisions of the Notice of Sale dated June 27, 2025, which Notice is made part of this proposal, we offer to purchase the indicated principal amount of the \$1,600,000 General Obligation Bond Anticipation Notes of the Town of Ashford, Connecticut (the "Issuer"), dated July 22, 2025 and maturing on July 21, 2026 (the "Notes"), specified below at the stated interest rate (provided not less than \$100,000 of principal amount per interest rate is bid and the total of all principal amounts bid does not exceed \$1,600,000) plus the premium specified below, if any, and to pay therefor par plus the premium specified below, if any, on the date of delivery. We further provide our computation of net interest cost as to each bid, carried to six decimals, and made as provided in the above-mentioned Notice of Sale, but not constituting any part of the foregoing proposal.

For \$ \_\_\_\_\_ of the Notes, bearing an interest rate of \_\_\_\_\_ % per annum, we bid par plus a premium of \$ \_\_\_\_\_. The net interest cost to the Issuer is \_\_\_\_\_ % (six decimals).

For \$ \_\_\_\_\_ of the Notes, bearing an interest rate of \_\_\_\_\_ % per annum, we bid par plus a premium of \$ \_\_\_\_\_. The net interest cost to the Issuer is \_\_\_\_\_ % (six decimals).

For \$ \_\_\_\_\_ of the Notes, bearing an interest rate of \_\_\_\_\_ % per annum, we bid par plus a premium of \$ \_\_\_\_\_. The net interest cost to the Issuer is \_\_\_\_\_ % (six decimals).

This undersigned hereby agrees to accept delivery of and make payment for the indicated principal amount of Notes in immediately available federal funds on the date of the Notes.

Dated: July 8, 2025

\_\_\_\_\_  
(Name of Bidder)

\_\_\_\_\_  
(Mailing Address)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Telephone Number)

\_\_\_\_\_  
(Facsimile Number)

\_\_\_\_\_  
(E-mail Address)

☐ We request that the Notes not be issued in book-entry form, but be registered in the name of the bidder, as provided in the Notice of Sale.

☐ **Only if submitting request that Notes not be issued in book-entry form:** We request to be designated as the Certifying Agent, Registrar and Paying Agent for the Notes, as provided in the Notice of Sale.