

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 28, 2026

NEW MONEY ISSUE: Book-Entry-Only

RATINGS: S&P Global Ratings: "AA-"

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, however, such interest is taken into account in determining the adjusted financial statement income of certain corporations for the purpose of computing the federal alternative minimum tax imposed on such corporations. In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excludable 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. See "Tax Matters" herein.



Town of Plymouth, Connecticut \$3,000,000 General Obligation Bonds, Issue of 2026 (Bank Qualified)

Dated: Date of Delivery

**Due: Serially on May 15, 2028-2037,
as detailed below:**

The General Obligation Bonds, Issue of 2026 (the "Bonds") will be general obligations of the Town of Plymouth, Connecticut (the "Town") and the Town will pledge its full faith and credit to pay the principal of and the interest on the Bonds when due. See "Security and Remedies" herein.

The Bonds will bear interest payable November 15, 2026 and semiannually thereafter on May 15 and November 15 in each year until maturity or earlier redemption. The Bonds are issuable only as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "Book-Entry-Only System" herein.

The Bonds are subject to redemption prior to maturity. See "Optional Redemption" herein.

<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u>
2028	\$ 300,000	__%	__%	729467__	2033	\$ 300,000	__%	__%	729467__
2029	300,000	__%	__%	729467__	2034	300,000	__%	__%	729467__
2030	300,000	__%	__%	729467__	2035	300,000	__%	__%	729467__
2031	300,000	__%	__%	729467__	2036	300,000	__%	__%	729467__
2032	300,000	__%	__%	729467__	2037	300,000	__%	__%	729467__

Electronic bids via PARITY for the Bonds will be received until 11:30 A.M. (E.T.) on Tuesday, May 5, 2026 at Town Hall, 80 Main Street, Terryville, Connecticut 06786, as described in the official Notice of Sale. (See Appendix D herein.)

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

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Robinson & Cole LLP, Bond Counsel, of Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC on or about May 20, 2026.

¹ Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may an offer to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. A definitive Official Statement with respect to these securities will be made available concurrently with their sale.

No dealer, broker, salesperson, or other person has been authorized by the Town to give any information or to make any representations not contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

The independent auditors for the Town are not passing upon and do not assume responsibility for the accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in their opinion in Appendix A), and they make no representation that they have independently verified the same.

Other than matters expressly set forth in Appendix B – “Form of Opinion of Bond Counsel” herein, Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that it has independently verified the same.

The Bonds have not been registered under the Securities Act of 1933, as amended, nor have the Bonds been registered under any state securities laws.

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

The Town currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (“EMMA”) system. In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide or cause to be provided (i) annual financial information and operating data, (ii) a notice of the occurrence of certain events within 10 business days of the occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreement shall be executed in substantially the form attached as Appendix C to this Official Statement.

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Table of Contents

	Page		Page
Bond Issue Summary	1	IV. Tax Base Data	21
I. Bond Information	2	Assessment Practices	21
Introduction	2	Property Tax Levies and Collections	22
Consideration for Bond Holders	2	Property Tax Collections	23
Climate Change	3	Comparative Assessed Valuations	23
Cybersecurity	3	Exempt Property	24
Municipal Advisor	3	Ten Largest Taxpayers	24
Description of the Bonds	3	V. Debt Summary	25
Optional Redemption	4	Principal Amount of Bonded Indebtedness	25
Authorization and Purpose	4	Short Term Debt	25
Use of Proceeds.....	4	Other Commitments	25
Book-Entry-Only Transfer System	5	Annual Bonded Debt Maturity Schedule	26
DTC Practices	6	Overlapping/Underlying Debt	26
Replacement Bonds	6	Debt Statement	27
Security and Remedies	6	Current Debt Ratios	27
Qualification for Financial Institutions	7	Clean Water Fund Program	28
Availability of Continuing Disclosure Information ..	7	Legal Requirements for Approval of Borrowing	28
Ratings	7	Temporary Financing	28
Tax Matters	8	Capital Improvement Program	29
II. The Issuer	10	Limitation of Indebtedness	29
Description of the Municipality	10	Statement of Debt Limitation	30
Form of Government	11	Debt Authorized But Unissued	30
Municipal Officials	11	Ratios of Net Long-Term Debt to Valuation	
Organization Chart	12	Population and Income	31
Municipal Services	13	Principal Amount of Outstanding Debt	31
Educational System	14	Ratio of Debt Service to General Fund Expenditures ..	31
Education Facilities	14	VI. Financial Administration	32
School Enrollment History and Projections	15	Fiscal Year	32
Municipal Employment	15	Accounting Policies	32
Municipal Employees Bargaining Organizations	16	Basis of Accounting	32
Binding Arbitration	16	Audit	32
III. Economic and Demographic Information	17	Budgetary Procedures	32
Population Trends	17	Employee Pension Systems	33
Age Characteristics of the Population	17	Other Post-Employment Benefits	34
Selected Wealth and Income Indicators	17	Investment Practices and Procedures	35
Income Distribution	18	Intergovernmental Revenues	35
Major Employers	18	Supplemental Appropriation	36
Employment Statistics	18	Comparative Balance Sheets – General Fund	36
Building Permits	19	General Fund Revenues and Expenditures	37
Educational Attainment	19	Analysis of General Fund Equity	37
Age Distribution of Housing	20	VII. Legal and Other Information	38
Housing Inventory	20	Litigation	38
Owner Occupied Housing Values	20	Documents to be Furnished at Closing	38
		Concluding Statement	39
		Appendix A - 2024 General Purpose Financial Statements	
		Appendix B - Form of Opinion of Bond Counsel	
		Appendix C - Continuing Disclosure Agreement	
		Appendix D - Notice of Sale	

Bond Issue Summary

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

Date of Sale:	Tuesday, May 5, 2026 at 11:30 A.M. (E.T.).
Location of Sale:	Town Hall, 80 Main Street, Terryville, Connecticut 06786.
Issuer:	Town of Plymouth, Connecticut (the “Town”).
Issue:	\$3,000,000 General Obligation Bonds, Issue of 2026 (the “Bonds”).
Dated Date:	May 20, 2026.
Interest Due:	November 15, 2026 and semiannually thereafter on May 15 and November 15 in each year until maturity or earlier redemption.
Principal Due:	Principal is due serially on May 15, 2028 through 2037 as detailed in this Official Statement.
Authorization and Purpose:	The proceeds of the Bonds will be used to fund road and bridge improvements authorized by the Town. See “Authorized but Unissued” herein.
Redemption:	The Bonds are subject to redemption prior to maturity. See “Optional Redemption”.
Security and Remedies:	The Bonds will be general obligations of the Town, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Town received a rating of “AA-” from S&P Global Ratings on the Bonds.
Basis of Award:	Lowest True Interest Cost (TIC), as of the dated date.
Bond Insurance:	The Town does not expect to direct purchase a credit enhancement facility.
Tax Exemption:	See “Tax Matters” herein.
Bank Qualification:	The Bonds <u>shall</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for certain interest expense allocable to the Bonds.
Continuing Disclosure:	See Appendix C “Form of Continuing Disclosure Agreement” hereto.
Registrar, Transfer Agent, Certifying Agent, & Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Robinson & Cole LLP, of Hartford, Connecticut will act as Bond Counsel.
Municipal Advisor:	Phoenix Advisors, a division of First Security Municipal Advisors, Inc. (“Phoenix Advisors”), Milford, Connecticut, Telephone (203) 878-4945.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about May 20, 2026 against payment in Federal Funds.
Issuer Official:	Questions concerning this Official Statement should be directed to Mr. Vijay Dora, Director of Finance, Town Hall, 80 Main Street, Terryville, Connecticut 06786, Telephone: (860) 585-4008 or Mr. Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, 53 River Street, Milford, Connecticut, Telephone: (203) 878-4945.

I. Bond Information

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Plymouth, Connecticut (the “Town”), in connection with the original issuance and sale of \$3,000,000 General Obligation Bonds, Issue of 2026 (the “Bonds”) of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds. Any statement made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

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

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

The Bonds are being offered for sale at public bidding. A Notice of Sale for the Bonds, dated April 28, 2026, has been furnished to prospective bidders containing terms and conditions of the bidding. (See Appendix D herein).

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, annual financial information and operating data and timely notice of the occurrence of certain events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed substantially in the form set forth in Appendix C to this Official Statement. The successful bidder’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, executed copies of the Continuing Disclosure Agreement.

U.S. Bank Trust Company, National Association will certify and act as the Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds.

Consideration for Bond Holders

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 Town revenues, expenses and financial condition.

Climate Change

The Town faces measurable and growing climate-related risks that directly threaten its road and bridge infrastructure. The Town is aware of these risks and its strong financial and operational capacity to manage them responsibly. The Town is particularly exposed to inland flooding. A large portion is located within the 1% annual flood zone, with known flood-risk areas including North Main Street, North Riverside Avenue, Beach Avenue, Canal Street, and Old Waterbury Road. The Town experiences regular flooding across three watershed basins: the Poland River, the Pequabuck River, and Hancock Brook.

The Town's Emergency Management Department provides dedicated leadership and operational support to minimize the impact of disasters and emergencies on the health, safety, and property of residents. Through a comprehensive, integrated emergency management program, the Town is well-positioned to respond swiftly to climate-related events, coordinate with state and federal agencies for disaster relief funding and protect infrastructure investments.

The Town demonstrates the financial strength, institutional capacity, and forward-looking planning necessary to responsibly issue and service the Bonds. The roads and bridges projects will directly strengthen the Town's infrastructure resilience against documented and growing climate risks, protecting public safety and preserving long-term asset value for the community.

Cybersecurity

The Town like many other public and private entities, relies on technology as a core to its operations and service to the community. Safeguarding the Town's critical infrastructure, public safety systems, and sensitive data from the risk of cyber threats; including ransomware, data breaches and service disruptions is of top priority. 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 the use of Multi-Form Authentication, virtual private networks, offsite backups and hosting platforms for its financial systems, all of which are insured. Training is also provided to staff leveraging the KnowBe4 platform with PhishER. Additionally, the Town utilizes modernized and proactive Business Continuity and Disaster Recovery (BCDR). Timely patching of firewalls, switches and all connected devices is done on a routine basis and implementation of critical patches is done when announced by CISA. Access Controls for all systems derives from HR changes in staffing and Change Control is used in the daily operations of the IT Department. 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.

Municipal Advisor

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Milford, Connecticut, has served as Municipal Advisor to the Town in connection with the issuance of the Bonds (the "Municipal Advisor") and has assisted the Town in matters related to the planning, structuring and terms of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the Appendices hereto. The Municipal Advisor is an Independent Registered Municipal Advisor pursuant to the Dodd-Frank Act and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

Description of the Bonds

The Bonds will be dated the date of delivery and will mature in the years and in such amounts and shall bear interest at such rates as set forth on the cover page of this Official Statement, payable on November 15, 2026 and semiannually thereafter on May 15 and November 15 in each year until maturity or earlier redemption. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest is payable to the registered owner as of the close of business on the last business day of April and October in each year, by check mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, and the Town shall agree.

Optional Redemption

The Bonds maturing on or before May 15, 2034 are not subject to redemption prior to maturity. The Bonds maturing on May 15, 2035 and thereafter, are subject to redemption prior to maturity, at the election of the Town, on and after May 15, 2034 at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the respective price (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
May 15, 2034 and thereafter	100%

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail at least thirty (30) days prior to the date fixed for redemption to the registered owner of the Bonds at the address of such registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

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

The Town, so long as a book-entry-only system is used for the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amounts of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry-only system, among the interest held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemption in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, the Registrar or Paying Agent.

Authorization and Purpose

The Town has the power to incur indebtedness as provided by Title 7 of the General Statutes of the Town Charter. The issuance of the Bonds was authorized by the Town at Referendum, in accordance with procedures outlined in the Town Charter (see “Authority to Incur Debt” herein).

Use of Proceeds

<u>Project</u>	<u>Amount Authorized</u>	<u>This Issue: The Bonds</u>
Road & Bridge Improvements....	\$ 6,000,000	\$ 3,000,000
Total.....	\$ 6,000,000	\$ 3,000,000

Book-Entry-Only Transfer System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity and will be deposited with DTC.

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

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with 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, Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

DTC Practices

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

Replacement Bonds

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

Security and Remedies

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

Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts.

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

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

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

Enforcement of a claim for payment of principal of or interest on such debt would also be subject to the applicable provisions of federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. 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, Title 11 of the United States Code, or by State law or by 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, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

Qualification for Financial Institutions

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

Availability of Continuing Disclosure Information

The Town prepares, in accordance with State law, annual independent audited financial statements and files such financial statements with the State Office of Policy and Management.

In accordance with the requirements of Rule 15c2-12(b)(5) of the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) notice of the occurrence of certain events within ten (10) business days of the occurrence of such events, and (iii) timely notice of the failure by the Town to provide the annual financial information on or before the date specified in the Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.

The Town has previously undertaken in continuing disclosure agreements, for the benefit of holders of certain of its bonds and notes, to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). During the last five (5) years, the Town has failed to comply with its previous undertakings in such agreements as follows:

The Town failed to timely file its Audited Financial Statement for the fiscal years ending June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024. The Town filed failure-to-file notices, concerning such failures, on March 2, 2022, March 3, 2023, March 1, 2024, and March 3, 2025, respectively. Subsequently, the Town filed the completed Audited Financial Statements on October 7, 2022, June 14, 2023, August 7, 2024, and January 13, 2026, respectively. The Town's Municipal Advisor will continue to assist the Town in better complying with its continuing disclosure obligations.

Ratings

The Bonds received a rating of "AA-" from S&P Global Ratings ("S&P"). The Town furnished to S&P certain information and materials, some of which may not have been included in this Official Statement. Such rating reflects only the views of S&P and any explanation of the significance of such rating should be obtained from S&P.

Generally, the rating agencies base their rating upon such information and materials and upon investigations, studies and assumptions by the rating agencies. There can be no assurance that a rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of the Town's outstanding bonds and notes, including this issue.

The Town expects to furnish to S&P information and materials that they may request. However, the Town may issue short-term or other debt for which a rating is not requested. The Town's Municipal Advisor, Phoenix Advisors, recommends that all bonded debt be submitted for a credit rating.

Tax Matters

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements which must be met at and subsequent to delivery of the Bonds in order that interest on the Bonds be and remains excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Tax Regulatory Agreement, which will be executed and delivered by the Town concurrently with the Bonds, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Town also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Town with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, however, such interest is taken into account in determining the adjusted financial statement income of certain corporations for the purpose of computing the federal alternative minimum tax imposed on such corporations.

Ownership of the Bonds may also result in certain collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits, taxpayers utilizing the earned income credit and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of ownership and disposition of, or receipt of interest on, the Bonds.

In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excludable 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.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

The opinions of Bond Counsel are rendered as of their date and are based on existing law, which is subject to change. Bond Counsel assumes no obligation to update or supplement its opinions to reflect any facts or circumstances that may come to their attention, or to reflect any changes in law that may thereafter occur or become effective.

Prospective purchasers of the Bonds are advised to consult their own tax advisors regarding other State and local tax consequences of ownership and disposition of and receipt of interest on the Bonds.

Original Issue Discount

The initial public offering price of certain maturities of the Bonds may be less than the principal amount payable on such Bonds at maturity. The excess of the principal amount payable at maturity over the initial public offering price at which a substantial amount of these Bonds are sold constitutes original issue discount. The offering prices relating to the yields set forth on the cover page of this Official Statement are expected to be the initial public offering prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one-half of the yield to maturity of such bond, and (ii) the amount which would be the adjusted basis of the

bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest paid during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

Original Issue Premium

The initial public offering price of certain maturities of the Bonds may be greater than the principal amount payable on such Bonds at maturity. The excess of the initial public offering price at which a substantial amount of these Bonds are sold over the principal amount payable at maturity or on earlier call date constitutes original issue premium. The offering prices relating to the yields set forth on the cover page of this Official Statement are expected to be the initial public offering prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any Bond during each day it is owned by a taxpayer is subtracted from the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Amortized original issue premium on the Bonds is not treated as a deduction from gross income for federal income tax purposes. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity using the taxpayer's cost basis and a constant semiannual compounding method. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

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II. The Issuer



Connecticut

Description of the Municipality

The Town of Plymouth was incorporated in 1795, making it the one hundred third town established in the State of Connecticut. Plymouth is located in Litchfield County, approximately twenty-one miles southwest of Hartford and five miles north of Waterbury. The Town is contiguous to the towns of Wolcott, Thomaston, Harwinton, Burlington, and the cities of Waterbury and Bristol. Plymouth covers a 22.4 square mile area.

Plymouth is a community predominantly composed of owner-occupied, single-family dwellings. Single-family dwellings comprise 75% of all housing units in the Town. At the time of the U. S. Census 2020-2024 American Community Survey Estimates, the Town's population was 11,746.

To the west of Plymouth is Connecticut Route 8 which provides north-south interstate connections from Bridgeport to the Massachusetts border. Connecticut Routes 6, 72, 222 and 262 also serve the Town. Rail service is available connecting with Waterbury and the south, while coach and motor freight companies serve the Town's residents and businesses.

Local firms are involved in a wide range of products and services with nearly 200 commercial properties and over 100 industrial facilities contributing to the Town's tax base. Products manufactured in Town include conduits, screw machines, airplane equipment, and chemicals.

In 1965 the Town adopted its first Plan of Development. As part of that plan, and subsequent revised plans, comprehensive planning and zoning regulations have been enacted to reflect current development standards and practices. These have resulted in a balanced economy, improved residential development and have helped to stabilize the tax rate. The most recent Plan of Development was adopted in June 2015.

The Town's educational system consists of two elementary schools, one middle school and one senior high school.

Form of Government

The Town of Plymouth is organized under the Council-Mayor form of government. The Town Charter was adopted in the 1974 and most recent revisions were approved by voters on November 8, 2016.

The legislative function is performed by a bipartisan Town Council of five members, who are elected biennially for two-year terms. The Town electorate elects a Mayor for a two-year term. The Board of Finance consists of six members who serve staggered six-year terms. Two members are elected to the Board of Finance in each municipal election.

Municipal Officials

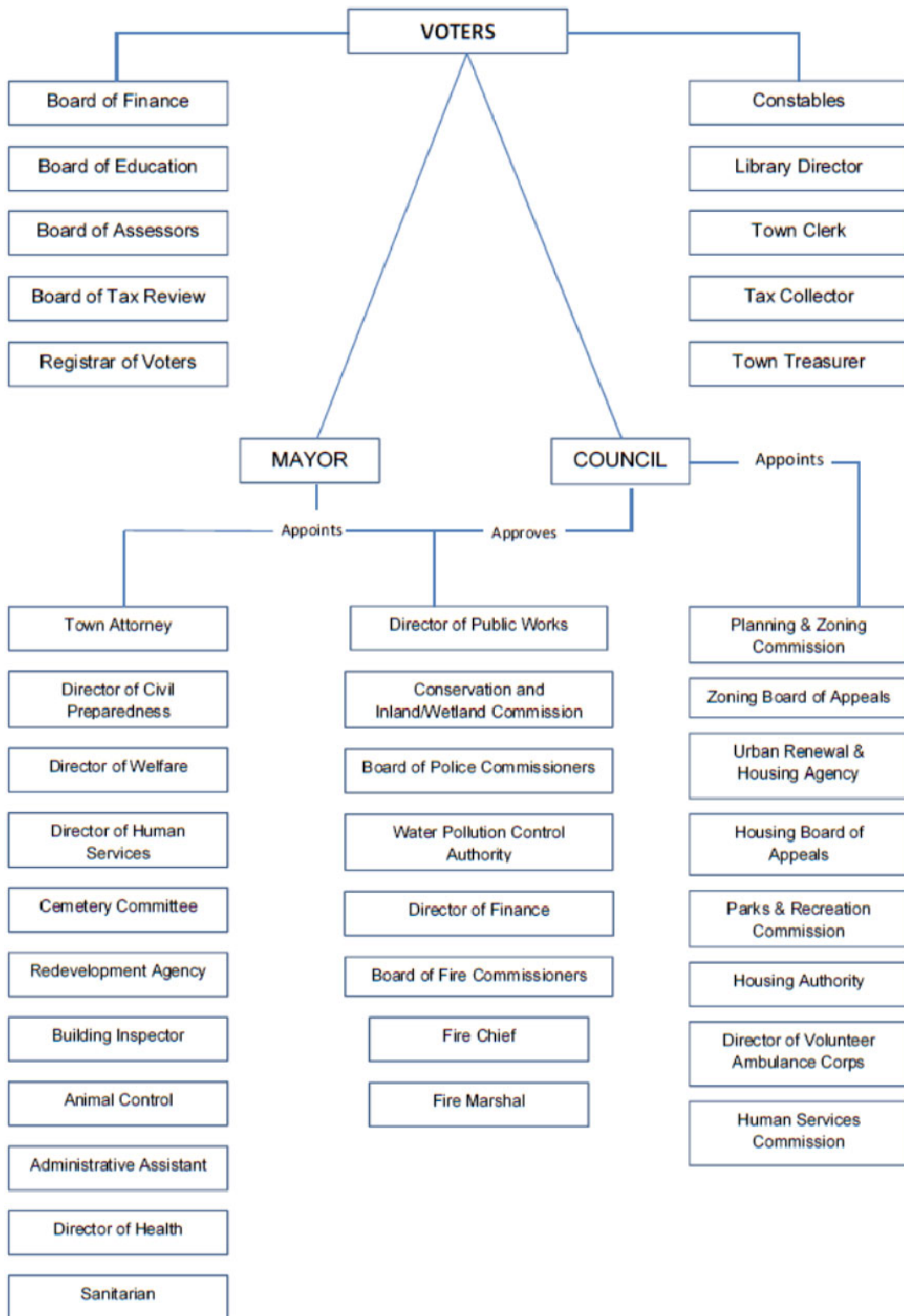
Office	Name	Manner of Selection	Current Term	Length of Service
Mayor.....	David Sekorski	Elected	11/25-11/27	< 1 year
Town Council.....	Thomas J. (TJ) Zagurski	Elected	11/25-11/27	19 years ¹
Town Council.....	Ron Tiscia	Elected	11/25-11/27	4 years
Town Council.....	Susan Boilard	Elected	11/25-11/27	< 1 year
Town Council.....	Joe Green	Elected	11/25-11/27	7 years
Town Council.....	Ramond Engle	Elected	11/25-11/27	< 1 year
Superintendent of Schools..	Brian Falcone	Appointed	7/1/25-6/30/28	5 years
Treasurer.....	Susan R. Murawski	Elected	11/25-11/27	< 1 year
Director of Finance.....	Vijay Dora	Appointed	7/1/25-6/30/28	< 1 year

¹ Not consecutive years.

Source: Town of Plymouth.

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Organizational Chart



Municipal Services

Public Safety. The Plymouth Police Department (the “Department”) enforces criminal and motor vehicle laws; renders aid to victims of medical emergencies or accidents; and patrols the Town. The Department was organized in 1970. The Department’s 24-hour public safety dispatch center, Litchfield County Dispatch (LCD), coordinates responses by all safety services including police, fire, ambulance, civil preparedness, and public works. Police personnel (22 sworn employees) also provide a number of community relations and public education programs.

Fire. Fire protection is provided by a volunteer force of 90+ fire fighters, 4 fire companies organized into one Town-wide fire department which is housed in three fire stations that are strategically located throughout the Town. Fire equipment consists of five pumpers, one ladder/tower truck, one heavy rescue truck, one brush truck/mini pumper/mini rescue, one engine/tanker, two (2) all-terrain vehicles, one utility pickup truck and one support truck. There are two (2) Chief’s vehicles in the fleet.

Public Works. The Public Works Department consists of multiple components. The Highway Department maintains 82 miles of two lane roads, bridges, drainage infrastructure, and public right of ways; 90% of the Town’s roads are illuminated. Fleet Maintenance manages the nearly 100 unit fleet of Town-owned vehicles and equipment; including the Volunteer Ambulance, Police Department, Fire Department, Highway Department and other Town official vehicles. Building Maintenance oversees the maintenance and mechanical upkeep of Town-owned buildings including the Town Hall, Police Station and Highway Garages. The Transfer Station handles incoming municipal solid waste and recycling from residents.

Library. The Terryville Public Library (the “Library”) has a collection of about 55,850 physical items. These items have an annual circulation of approximately 45,300. Additionally, e-media, which includes eBooks and downloadable and streaming audiobooks, music, and television, accounted for an extra 8,560 circulations. In total, the Library circulated around 53,800 items. Library services are managed by a staff of 5 full-time and 4 part-time employees and its operations are conducted from a single main facility.

Parks and Recreation. The Parks and Recreation Commission operates a comprehensive program of activities. Recreational facilities include Lake Winfield Recreation Area, a 23-acre park that provides pickleball and tennis courts, an exercise path, a picnic area, fishing, and a playscape. The North Street Reservoir Recreation Area has hiking paths, fishing, a non-motorized boat launch, a picnic area, and a kayak rental kiosk. Other Town parks contain a historic water wheel, playscapes, a softball field, hiking trails, a multi-use field and community gardens.

Water Pollution Control Authority. The Plymouth Water Pollution Control Authority (“WPCA”) was established in 1979, and consists of a seven member volunteer board and has all the powers and duties as set forth in Chapter 103 of the Connecticut General Statutes. The WPCA sets policy and budget measures for the efficient operation of the treatment facility, 50.7 miles of sanitary sewer lines and eight pump stations located throughout Town. The WPCA operates under a National Pollutant Discharge Elimination System (NPDES) permit. The permit outlines parameters and limits the WPCA must meet to be in compliance with the permit. The permit is renewed every five years with the last renewal in 2021. The original sewage treatment facility was built in 1961 as a Trickling Filter treatment process. The facility was upgraded in 1991 to an extended aeration process with a design flow of 1.75 MGD. In November 2004 an upgrade to all eight pump stations was completed. This Rehabilitation Project was funded by a United States Department of Agriculture (USDA) grant and low interest loan. In August 2006 the WPCA completed the Silver Street sanitary sewer replacement project. This project consisted of a new main sewer line in an area identified as having problems with the conveyance of wastewater to the treatment facility, and was 100% funded by the WPCA. In 2013 the WPCA completed an upgrade to the inlet works pre-treatment process which included new automated equipment and a new building with a two bay garage. This was 100% funded by the WPCA. In 2016 the WPCA completed a nitrogen removal upgrade to the aeration system with the installation of a 5 stage Bardenpho process. This was funded through a nitrogen grant loan program from CT DEEP. The last upgrade at the treatment facility was completed in March of 2019. This was for a new Trojan 3000 Plus Ultra Violet disinfection system to replace an aging 29 year old unit and to meet new Escherichia coli bacteria (e-coli) limits of the NPDES permit. This was funded 100% by the WPCA. As one of the conditions in the NPDES permit the WPCA recently installed a temporary phosphorus removal system in 2017 which utilizes chemicals to remove the phosphorus from the water before discharging to the Pequabuck River watershed. Currently a permanent phosphorus removal system is being investigated and when approved it would then qualify for grant loan funding through the CT DEEP Clean Water Fund. The WPCA sewer use fee system is determined by flow units. One flow unit equals 52,000 gallons. Currently the WPCA has 4,437 flow units entering the system.

Transfer Station. The Town operates and manages a municipal transfer station available for use to all tax paying residents of Plymouth. The transfer station is open 5 days per week and accepts municipal solid waste, recycling materials, bulk items, waste oil, antifreeze, paint, tires and construction and demo material. There is a fee and permit structure for disposing of certain items and quantities. Municipal solid waste and recycling material is transferred to Covanta Bristol Inc. in Bristol CT a mass burn waste disposal, electric power generation and resource recovery facility. This facility is utilized by fourteen other communities.

Utilities. The Town is served by Eversource Electric, Eversource Gas, the Connecticut Water Company, Comcast Communication, Frontier Communication, and GoNetSpeed Internet. The Town owns and maintains its inventory of illuminated streetlights and fire service ready fire hydrants.

Business Park. The Economic Development Commission, formerly known as the Industrial & Development Commission, was established to oversee and develop the Town's Business Park. Since 1973 during Phase I, the Business Park now consists of three phases with approximately 215 fully-infrastructured acres. Existing businesses occupy over 513,000 sq. ft. of buildings, with approximately another 75,000 sq. ft. presently in the planning stage or under construction. Phase III of the Business Park, consisting of 23 lots, had its first sale in 2003, but in the past 4 years, 13 of the 23 lots were either sold or placed under contract, such that the Business Park is now completely full and no lots are available for purchase. The recent significant sales were in part attributed to Plymouth being designated as an Enterprise Zone by the State Department of Economic and Community Development, providing new and expanding businesses with local property tax abatements tied to their developments, and with Plymouth receiving a reimbursement from the State of Connecticut for 75% of the abated tax revenues. The Park represents a joint effort by the State and Town, both of which initially provided funding for land acquisition and development, as well as additional State funding for construction of a water booster pump station to service upgradient lots. All phases of the Business Park are governed by protective covenants as well as falling within the Town's I-2 industrial park zoning regulations.

Educational System

The Town's school system consists of one school for pupils in grades Pre-K through 2; one school for pupils in grades 3 through 5; one school for pupils in grades 6 through 8, and one high school for pupils in grades 9 through 12. The schools are governed by a nine-member Board of Education.

Educational Facilities

<i>School</i>	<i>Grades</i>	<i>Date of Construction (Additions, Remodeling)</i>	<i>Number of Classrooms</i>	<i>10/1/2025 Enrollment</i>	<i>Rated Capacity</i>
Plymouth Central School....	PK-2	1952 (1995)	34	338	430
Henry S. Fisher School.....	3-5	1961 (1997)	31	264	600
Eli Terry Middle School.....	6-8	1961 (2008)	31	325	600
Terryville High School.....	9-12	2008	40	308	700
Total.....			136	1,235	2,330

Source: Town of Plymouth, Board of Education.

School Enrollment History and Projections

School Year	Historical			Total
	Pre-K-6	7- 8	9 - 12	
2016-17	778	228	494	1,500
2017-18	790	223	462	1,475
2018-19	781	252	437	1,470
2019-20	735	240	374	1,349
2020-21	695	214	383	1,292
2021-22	716	216	371	1,303
2022-23	719	210	367	1,296
2023-24	720	176	368	1,264
2024-25	717	184	336	1,237
2025-26	703	224	308	1,235

School Year	Projected			Total
	Pre-School	K - 8	9 - 12	
2026-27	82	821	312	1,215
2027-28	82	834	312	1,228
2028-29	82	837	323	1,242
2029-30	83	849	328	1,260

Source: Town of Plymouth, Superintendent of Schools.

Municipal Employment

	2025	2024	2023	2022	2021
General Government.....	94	89	85	85	87
Board of Education.....	268	282	276	282	291
Total.....	362	371	361	367	378

Source: Town of Plymouth.

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Municipal Employees Bargaining Organizations

Board of Education Groups	Positions Covered	Current Contract Expiration Date
Teachers (Plymouth Education Association).....	140	6/30/2028
Administrators (Plymouth School Administrators Association).....	6	6/30/2029
Nurses/Secretaries.....	4	6/30/2026 ¹
Paraprofessional (Technical Office and Professional Unit and the International Union, United Automotive Aerospace, and Agricultural Implement Workers of America, UAW and its local 376).....	59	6/30/2027
Non-Bargaining Employees.....	59	
Sub-total Board of Education Employees.....	268	
General Government		
Police (Plymouth and United Public Service Employees Union/COPS Plymouth Police Union).....	22	6/30/2028
Public Works (Plymouth and Teamsters Local 443 - Public Works Employees)...	15	6/30/2028
Supervisors/Non-Supervisors (Town of Plymouth and UPSEU-Professional Employees & Local 376).....	7	6/30/2028
Clerical (Plymouth and Teamsters Local 443 - Town Hall Employees).....	11	6/30/2028
WPCA Workers (Plymouth Water Pollution Control Authority and Teamsters Local 443 - WPCA Employees).....	4	6/30/2027
Non-Bargaining Employees.....	35	
Sub-total General Government Employees.....	94	
Total.....	362	

¹ In negotiations.

Source: Town of Plymouth.

Binding Arbitration

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 municipal entity may reject the 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 party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration, in assessing the financial capability of a municipality, there is an irrebuttable presumption that 15% of the municipality's budget reserve (a budget reserve of 5% or less for teacher's contracts) is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living (over the preceding three years for teacher's contracts), existing employment conditions of the employee group and similar groups, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

III. Economic and Demographic Information

Population Trends

Year	Actual		
	Population ¹	% Increase	Density ²
2024 ³	11,746	-4.1%	526.7
2020	11,646	-4.9	522.2
2010	12,243	5.2	549.0
2000	11,634	-1.6	521.7
1990	11,822	10.2	530.1
1980	10,732	4.0	481.3
1970	10,321	52.4	462.8

¹ U.S. Department of Commerce, Bureau of Census.

² Per square mile: 22.3 square miles.

³ American Community Survey 2020-2024.

Age Distribution of the Population

Age	Town of Plymouth		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	449	3.8%	181,691	5.0%
5 to 9 years	642	5.5	195,164	5.4
10 to 14 years	601	5.1	214,972	5.9
15 to 19 years	595	5.1	239,710	6.6
20 to 24 years	903	7.7	238,387	6.6
25 to 34 years	1,565	13.3	454,892	12.6
35 to 44 years	1,165	9.9	460,916	12.7
45 to 54 years	1,605	13.7	453,917	12.5
55 to 59 years	1,002	8.5	256,068	7.1
60 to 64 years	999	8.5	258,234	7.1
65 to 74 years	1,410	12.0	386,232	10.7
75 to 84 years	602	5.1	196,373	5.4
85 years and over	208	1.8	87,952	2.4
Total.....	11,746	100.0%	3,624,508	100.0%
Median Age (Years) 2024.....	44.6		41.1	

Source: American Community Survey 2020-2024.

Selected Wealth and Income Indicators

	Town of Plymouth	State of Connecticut
Per Capita Income, 2024.....	\$ 44,216	\$ 55,915
Median Family Income, 2024.....	\$ 118,085	\$ 122,706
Median Household Income, 2024.....	\$ 94,514	\$ 95,781

Source: American Community Survey 2020-2024.

Income Distribution

Income	Town of Plymouth		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	15	0.5%	24,004	2.6%
10,000 - 14,999.....	99	3.3	12,584	1.4
15,000 - 24,999.....	41	1.4	27,285	3.0
25,000 - 34,999.....	131	4.3	33,429	3.6
35,000 - 49,999.....	208	6.9	59,826	6.5
50,000 - 74,999.....	410	13.5	106,611	11.6
75,000 - 99,999.....	277	9.2	106,893	11.6
100,000 - 149,999.....	762	25.2	182,785	19.8
150,000 - 199,999.....	562	18.6	131,310	14.3
200,000 and over.....	522	17.2	236,661	25.7
Total.....	3,027	100.0%	921,388	100.0%

Source: American Community Survey 2020-2024.

Major Employers

Employer	Type of Business	Approximate Number of Employees
Town of Plymouth.....	Government/Education	362
Cook Willow Convalescent Home.....	Convalescent facility	100 - 249
Richards Corporation.....	Construction	100 - 249
Nutmeg Spice Company.....	Spices-Wholesale	100 - 249
Lauretano Sign Group.....	Manufacturing	50 - 99
Phoenix Products.....	Pool Equipment Retailer	50 - 99
Terryville Chevrolet.....	Car Dealership	50 - 99
IGA Supermarket.....	Grocery Store	20 - 49
The Learning Center.....	Daycare facility	20 - 49
Wollenberg's Inc/TLC Limousine.....	Transportation	20 - 49
Triem Industries.....	Manufacturer	20 - 49
All Star Bus Company.....	Transportation	20 - 49

Source: Town of Plymouth Economic Development

Employment Statistics

Period	Town of Plymouth		Percentage Unemployed		
	Employed	Unemployed	Town of Plymouth	Hartford Labor Market	State of Connecticut
February 2026.....	6,045	458	7.0	5.7	5.8
Annual Average					
2025	6,377	303	4.5	4.0	3.9
2024	6,358	262	4.0	3.5	3.5
2023	6,269	271	4.1	3.7	3.7
2022	6,283	294	4.5	4.1	4.1
2021	5,834	411	6.6	6.6	6.6
2020	6,164	488	7.3	7.0	7.3
2019	6,422	300	4.5	3.8	3.7
2018	6,373	307	4.6	4.1	4.1
2017	6,340	365	5.4	4.8	4.7
2016	6,311	414	6.2	5.3	5.3

Source: Department of Labor, State of Connecticut

Building Permits

Fiscal Year	Residential		Comm./Industrial		Other		Total	
	No.	Value	No.	Value	No.	Value	No.	Value
2026 ¹	12	\$ 3,295,000	6	\$ 2,190,350	28	\$ 864,738	46	\$ 6,350,088
2025	6	1,530,000	4	1,700,000	31	846,075	41	4,076,075
2024	6	1,546,773	7	1,165,100	42	1,104,783	55	3,816,656
2023	10	2,733,000	2	73,500	32	1,070,269	44	3,876,769
2022	5	1,284,100	6	1,004,400	38	1,692,175	49	3,980,675
2021	6	541,700	1	350,000	39	626,072	46	1,517,772
2020	16	1,108,066	1	110,000	17	875,044	-	2,093,110
2019	669	6,428,209	10	1,361,020	17	30,500	696	7,819,729
2018	597	7,932,785	4	3,451,683	25	253,248	626	11,637,716
2017	616	1,397,321	-	-	18	930,170	634	2,327,491

¹ As of April 15, 2026.

Source: Town of Plymouth, Office of Building Inspections.

Educational Attainment

	Town of Plymouth		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	184	2.2%	101,458	4.0%
9th to 12th grade.....	366	4.3	114,887	4.5
High School graduate.....	2,829	33.1	647,192	25.3
Some college, no degree.....	1,740	20.3	410,903	16.1
Associate's degree	927	10.8	195,081	7.6
Bachelor's degree.....	1,744	20.4	595,631	23.3
Graduate or professional degree.....	766	9.0	489,432	19.2
Total.....	8,556	100.0%	2,554,584	100.0%
Total high school graduate or higher (%).....		93.6%		91.5%
Total bachelor's degree or higher (%).....		29.3%		42.5%

Source: American Community Survey 2020-2024.

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Age Distribution of Housing

Year Built	Town of Plymouth		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	1,169	22.6%	311,584	20.2%
1940 to 1969.....	1,614	31.2	514,365	33.4
1970 to 1979.....	530	10.2	210,797	13.7
1980 to 1989.....	847	16.4	199,083	12.9
1990 to 1999.....	406	7.8	115,803	7.5
2000 or 2009.....	308	6.0	109,783	7.1
2010 or later.....	299	5.8	80,407	5.2
Total Housing Units	5,173	100.0%	1,541,822	100.0%

Source: American Community Survey 2020-2024.

Housing Inventory

Housing Units	Town of Plymouth		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	3,744	72.4%	902,771	58.6%
1-unit, attached.....	131	2.5	99,493	6.5
2 units.....	428	8.3	115,211	7.5
3 or 4 units.....	419	8.1	125,486	8.1
5 to 9 units.....	200	3.9	76,014	4.9
10 to 19 units.....	115	2.2	54,675	3.5
20 or more units.....	39	0.8	156,730	10.2
Mobile home.....	97	1.9	10,890	0.7
Boat, RV, van, etc.....	-	-	552	0.0
Total Inventory.....	5,173	100.0%	1,541,822	100.0%

Source: American Community Survey 2020-2024.

Owner Occupied Housing Values

Specified Owner-Occupied Units	Town of Plymouth		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	141	3.8%	23,262	2.4%
\$50,000 to \$99,000.....	92	2.5	14,209	1.5
\$100,000 to \$149,999.....	151	4.1	31,134	3.3
\$150,000 to \$199,000.....	505	13.8	65,851	6.9
\$200,000 to \$299,999.....	1,238	33.8	205,349	21.5
\$300,000 to \$499,999.....	1,358	37.1	350,277	36.8
\$500,000 to \$999,999.....	161	4.4	197,853	20.8
\$1,000,000 or more.....	18	0.5	65,054	6.8
Total.....	3,664	100.0%	952,989	100.0%

Median Value..... \$275,000 \$366,900

Source: American Community Survey 2020-2024.

IV. Tax Base Data

Assessment Practices

The Town completed a full revaluation for October 1, 2021. The Town's next scheduled revaluation is to be effective October 1, 2026. Section 12-62 of the Connecticut General Statutes established the revaluation cycle for Connecticut municipalities requiring a revaluation every five years and generally a full inspection, including measuring or verifying the exterior dimensions of a building and entering and examining the interior of the building, once every ten years. The Town must conduct a statistical revaluation no later than five years after the last physical inspection. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total of assessed value for all taxable and tax exempt real and personal property located within the Town as of October 1. 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 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 as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Connecticut General Statutes Section 12-71e, as amended, provides that for the assessment year commencing October 1, 2021, and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 32.46 mills. Any municipality or district may establish a mill rate for motor vehicles that is equal to or lower than 32.46 mills, including zero mills. Such mill rate for motor vehicles may be different from the mill rate for real property and personal property, provided the mill rate for motor vehicles is lower than the mill rate for real property and personal property. Section 4-66l of the General Statutes, as amended, diverts a portion of State collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rates for the current 2024 assessment year (the fiscal year ending June 30, 2026) is 32.46 mills.

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

All business personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for personal property 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 Levies and Collections

Taxes for the fiscal year are paid on the grand list of the prior October 1, and are due July 1, payable in two installments, one half on July 1 and one half on January 1. Payments not received by August 1 and February 1, respectively, become delinquent. 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 July or January.

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

Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years at which time they cease to be carried as receivables. Real estate accounts are considered uncollectible fifteen years after the due date in accordance with Connecticut General Statutes, Section 12-164.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter (within 60 days of the close of the fiscal year) are to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as deferred revenue on the Town's financial statements. Section 12-165 of the Connecticut General Statutes, as amended, requires each municipality to write off, on an annual basis, the property taxes, which are deemed to be uncollectible.

Connecticut General Statutes Section 4-661, as amended ("Section 4-661"), creates certain disincentives on increasing adopted budget expenditures for municipalities in Connecticut. Beginning in fiscal year 2018, the Office of Policy and Management ("OPM") must reduce the amount of the municipal revenue sharing grant for those municipalities whose increase in its adopted budget expenditures, with certain exceptions, exceeds the previous fiscal year by 2.5% or more or the rate of inflation, whichever is greater (the "expenditure cap"). The reduction to the municipal revenue sharing grant will generally equal 50 cents for every dollar by which the municipality's adopted budget exceeds the expenditure cap. A municipality whose population increased from the previous fiscal year, as determined by OPM, may increase its adopted budget expenditures over the expenditure cap by an amount proportionate to its population growth. Section 4-661 requires each municipality to annually certify to the Secretary of OPM whether the municipality has exceeded the expenditure cap, and if so, the amount by which the expenditure cap was exceeded.

Under Section 4-661, municipal spending does not include expenditures: (i) for debt service, special education, or costs to implement court orders or arbitration awards; (ii) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; (iii) for any municipal revenue sharing grant the municipality disburses to a district; or (iv) budgeting for an audited deficit, non-recurring grants, capital expenditures or payments on unfunded pension liabilities.

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Property Tax Collections

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Adjusted Annual Levy	Percent of Annual Levy Collected at	Percent of Annual Levy Uncollected at	Percent of Annual Levy Uncollected as of
					End of Fiscal Year	End of Fiscal Year	6/30/2025
2024	2026 ¹	\$ 909,229,000	39.57	\$ 35,831,495	<i>In collection</i>		
2023	2025 ²	909,445,000	38.64	34,505,894	99.0	1.0	1.0
2022	2024	915,767,000	37.70	33,811,544	97.1	2.9	-
2021 ³	2023	885,209,000	36.32	31,939,536	97.8	2.2	-
2020	2022	752,575,000	40.63	30,254,184	97.9	2.1	-
2019	2021	804,316,000	40.63	29,763,561	98.2	1.8	-
2018	2020	748,419,000	40.63	30,739,655	98.1	1.9	-
2017	2019	747,189,000	39.69	29,691,615	98.0	2.0	-
2016 ³	2018	741,145,000	39.69	28,810,622	98.0	2.0	-
2015	2017	721,930,000	36.02	27,781,374	97.7	2.3	-

¹ Adopted Budget.

² Unaudited.

³ Revaluation.

Source: Town of Plymouth, Tax Collector

Comparative Assessed Valuations

Grand List As Of 10/1	Residential Real Property (%)	Commercial Real Property (%)	Industrial Real Property (%)	Personal Property (%)	Motor Vehicles (%)	Gross Taxable Grand List (000's)	Exemptions, Net Taxable Grand List (000's)	
							Veterans Relief and Disabled (000's)	Net Taxable Grand List (000's)
2025	76.3%	5.5%	3.6%	5.2%	9.5%	\$ 1,289,333	\$ 24,320	\$ 1,265,013
2024	70.9%	6.0%	3.1%	7.2%	12.9%	932,012	22,783	909,229
2023	71.0%	6.0%	2.9%	6.7%	13.4%	927,619	18,174	909,445
2022	70.3%	6.1%	2.8%	6.8%	14.0%	935,116	19,349	915,767
2021 ¹	71.4%	5.9%	2.9%	6.1%	13.7%	902,168	16,959	885,209
2020	72.9%	4.3%	3.4%	6.5%	12.9%	768,360	15,785	752,575
2019	75.8%	3.9%	3.2%	5.7%	11.4%	818,388	14,072	804,316
2018	73.2%	4.1%	3.4%	7.3%	12.0%	763,080	14,661	748,419
2017	74.7%	4.3%	3.5%	5.5%	11.9%	762,593	15,404	747,189
2016 ¹	75.4%	4.3%	3.7%	5.0%	11.6%	756,366	15,221	741,145

¹ Revaluation.

Source: Town of Plymouth, Assessor's Office

Exempt Property

Public	Assessed Value ¹
Non Reimbursed Veterans	\$ 4,502,370
Reimbursed Additional Veterans / Income.....	163,690
Reimbursed Additional Veterans / Non Income....	533,230
100% Disabled and Blind.....	186,490
Economic & Developmental.....	2,222,647
Public Buildings / Property.....	76,578,820
Sub-Total Public.....	\$ 84,187,247
Private	
Agricultural or Horticultural.....	\$ 1,594,956
Solar Energy or Pollution Control.....	2,955,630
Environmental & Development.....	1,388,142
Manufacturing Machinery.....	11,695,524
Other.....	250,025
Sub-Total Private.....	17,884,277
Total Exempt Property.....	\$ 102,071,524
Percent Compared to Net Taxable Grand List.....	8.1%

¹ Net Taxable Grand List October 1, 2025 of \$1,265,013,000.

Source: Town of Plymouth, Assessor's Office.

Ten Largest Taxpayers

Name of Taxpayer	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List
Connecticut Light & Power Company.....	Public Utility	\$ 22,110,930	1.75%
Connecticut Water Company.....	Public Utility	8,147,760	0.64
Yankee Gas Service Co.	Public Utility	6,978,610	0.55
Spiceco Properties LLC.....	Private Business	5,353,110	0.42
Store Master Funding Xxv LLC.....	Private Business	5,336,730	0.42
City Of Bristol-Water Company.....	Private Utility	3,966,410	0.31
Cook Willow Realty Partnership.....	Developer	3,800,440	0.30
Inland Intermodal LLC.....	Private Utility	3,627,540	0.29
282 Main LLC.....	Private Business	3,552,710	0.28
Senior Housing at Quail Hollow Inc.....	Contractor	3,425,880	0.27
Total.....		\$ 66,300,120	5.24%

¹ Net Taxable Grand List October 1, 2025 of \$1,265,013,000.

Source: Town of Plymouth, Assessor's Office

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V. Debt Summary
Principal Amount of Bonded Indebtedness
As of May 20, 2026
(Pro Forma)

Long-Term Debt:

Date	Purpose	Interest Rate %	Original Issue	Amount Outstanding	Fiscal Year of Maturity
2016	Sewers - CWF Loan (458-C).....	2.00	\$ 1,115,510	\$ 573,442	2035
2018	General Purpose.....	3.00-4.00	6,950,000	4,940,000	2039
2019	Refunding (General Purpose).....	3.00-5.00	409,000	144,000	2029
2019	Refunding (Schools).....	3.00-5.00	4,051,000	671,000	2027
2023	Bank Loan (General Purpose).....	5.45	600,000	480,000	2034
Total Outstanding Bonded Debt.....			\$ 13,125,510	\$ 6,808,442	
This Issue					
2026	General Purpose.....	<i>tbd</i>	\$ 3,000,000	\$ 3,000,000	2037
Total This Issue.....			\$ 3,000,000	\$ 3,000,000	
Grand Total.....			\$ 16,125,510	\$ 9,808,442	

Short-Term Debt
As of May 20, 2026
(Pro Forma)

The Town has no short-term debt outstanding as of the date of this official statement.

Other Commitments

State and Federal laws and regulations require landfill closures to meet certain standards. The Town has finalized an agreement with the State Department of Energy and Environmental Protection for final capping of the Town's landfill. Monitoring costs for the next 21 years at \$12,500 per year are \$262,500. These amounts are based on estimates that are subject to change due to inflation, technology or applicable laws and regulations.

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Annual Bonded Debt Maturity Schedule
As of May 20, 2026
(Pro Forma)

Fiscal Year Ended 6/30	Principal Payments ¹	Interest Payments	Total Debt Service ¹	Pro-forma		Total Principal	Cumulative Principal Retired %
				This Issue			
				Gen. Purp.	Total		
2026 ²	\$ 4,951	\$ 20,381	\$ 25,332	\$ -	\$ -	\$ 4,951	0.1%
2027	1,220,054	236,696	1,456,750	-	-	1,220,054	12.5%
2028	551,266	202,064	753,330	300,000	300,000	851,266	21.2%
2029	547,502	184,733	732,235	300,000	300,000	847,502	29.8%
2030	503,764	166,226	669,990	300,000	300,000	803,764	38.0%
2031	505,051	146,469	651,520	300,000	300,000	805,051	46.2%
2032	506,364	126,686	633,050	300,000	300,000	806,364	54.4%
2033	507,704	106,876	614,580	300,000	300,000	807,704	62.7%
2034	509,070	87,040	596,110	300,000	300,000	809,070	70.9%
2035	432,716	68,840	501,556	300,000	300,000	732,716	78.4%
2036	380,000	53,200	433,200	300,000	300,000	680,000	85.3%
2037	380,000	38,000	418,000	300,000	300,000	680,000	92.3%
2038	380,000	22,800	402,800	-	-	380,000	96.1%
2039	380,000	7,600	387,600	-	-	380,000	100.0%
Total.....	\$ 6,808,442	\$ 1,467,611	\$ 8,276,053	\$ 3,000,000	\$ 3,000,000	\$ 9,808,442	

¹ Includes all bonded debt and State of Connecticut Clean Water Fund loans, excludes Refunded Bonds.

² Does not include \$1,478,915 in principal and \$272,442 in interest paid between July 1, 2025 and May 20, 2026.

Source: Finance Office, Town of Plymouth.

Overlapping/Underlying Debt

The Town of Plymouth has neither overlapping nor underlying debt.

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

Debt Statement
As of May 20, 2026
(Pro Forma)

Long-Term Debt Outstanding:

General Purpose (Includes This Issue)	\$ 8,564,000
Schools	671,000
Sewers	573,442
Water	-
Total Long-Term Debt	9,808,442
Short-Term Debt	-
Direct Debt	9,808,442
Underlying Debt	-
Total Overall Debt	9,808,442
Less: State School Building Aid Receivable (June 30, 2025)	-
Self-Supporting Sewer Debt	(573,442)
Total Overall Net Debt	\$ 9,235,000

Note: Excludes capital leases.

Current Debt Ratios
As of May 20, 2026
(Pro Forma)

Population ¹	11,746
Net Taxable Grand List (10/1/25)	\$ 1,265,013,000
Estimated Full Value (70%).....	\$ 1,807,161,429
Equalized Grand List (10/1/23) ²	\$ 1,804,901,993
Money Income per Capita (2024) ¹	\$44,216

	Total Overall Debt	Total Overall Net Debt
	\$9,808,442	\$9,235,000
Per Capita.....	\$ 835.05	\$ 786.23
Ratio to Net Taxable Grand List.....	0.78%	0.73%
Ratio to Estimated Full Value.....	0.54%	0.51%
Ratio to Equalized Grand List.....	0.54%	0.51%
Debt per Capita to Money Income per Capita (2024).....	1.89%	1.78%

¹ U.S. Bureau of Census, American Community Survey 2020-2024.

² Office of Policy and Management, State of Connecticut.

Clean Water Fund Program

The Town is a participant in the State of Connecticut Clean Water Fund Program (Connecticut General Statutes Section 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at a rate of 2% per annum. All participating municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow correction projects which are financed with a 50% grant and a 50% loan and denitrification projects which are funded with a 30% grant and 70% loan).

Loans to each municipality are made pursuant to Project Grant and Project Loan Agreements (the "Loan Agreement"). Each municipality is obligated to repay only that amount which it draws down for the payment of project costs. Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality, and/or a dedicated source of revenue of such municipality.

Amortization of each loan is required to begin one year from the earlier of the project completion date specified in the Loan Agreement or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are made (1) in equal monthly installments commencing one month after the scheduled completion date, or (2) in single annual installments representing 1/20 of total principal not later than one year from the project completion date specified in the Loan Agreement repayable thereafter in monthly installments. Loans made under loan agreements entered into prior to July 1, 1989 are repayable in annual installments. Borrowers may elect to make level debt service payments or level principal payments. Borrowers may prepay their loans at any time prior to maturity without penalty.

The Town currently has Clean Water Fund loans outstanding as follows:

<u>Project</u>	<u>Amount Authorized</u>	<u>Amount Outstanding as of May 20, 2026</u>
WPCA Denitrification Project.....	\$2,330,500	\$573,442

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 Connecticut subject to statutory debt limitations and the requirements of the Town Charter for the authorization of indebtedness. Under the Town Charter, the Town Council introduces each bond resolution, sets a date for a public hearing to be held thereon, and refers the resolution to the Board of Finance for a recommendation. The Town Council meets subsequent to the public hearing to adopt the resolution, and, if required, to set a date for a referendum. A referendum must be held on any resolution authorizing the issuance of bonds or notes in excess of \$150,000.

Temporary Financing

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

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

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

Capital Improvement Program

The Town has a Capital Improvement Committee in place whose task it is to identify and plan for long range capital expenditures. The committee has reviewed the requests from various departments including the Board of Education. After discussions with each department, the committee has prioritized the requested projects in A, B and C levels. From this list, the committee has selected five projects that should be part of the next bonding package whenever the Town sees fits to authorize additional bonding. The next large potential project on the horizon is construction of a new police station. The Town will shortly award a contract for the completion of a space needs assessment to determine recommended square building footage and to develop an estimated project cost.

Limitation of Indebtedness

Municipalities shall not incur indebtedness through the issuance of bonds 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 Past Pension Purposes:	3.00 times annual receipts from taxation

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

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

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Statement of Debt Limitation
As of May 20, 2026
(Pro Forma)

Total Tax Collections (including interest and lien fees)

Received by the Treasurer as of June 30, 2025 (unaudited)..... \$ 34,840,175

Reimbursement For Revenue Loss:

Tax relief for elderly -

Base for Debt Limitation Computation..... \$ 34,840,175

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 1/4 times base.....	\$ 78,390,393	-	-	-	-
4 1/2 times base.....	-	\$ 156,780,787	-	-	-
3 3/4 times base.....	-	-	\$ 130,650,656	-	-
3 1/4 times base.....	-	-	-	\$ 113,230,568	-
3 times base.....	-	-	-	-	\$ 104,520,524
Total Debt Limitation	\$ 78,390,393	\$ 156,780,787	\$ 130,650,656	\$ 113,230,568	\$ 104,520,524

Indebtedness: ¹

Bonds Outstanding	5,564,000	671,000	573,442	-	-
Bonds – This Issue.....	3,000,000	-	-	-	-
Debt Authorized But Unissued.....	3,000,000	99,420	124,411	-	-
Total Indebtedness	11,564,000	770,420	697,853	-	-

Less:

State School Grants Receivable..... - - - - -

Total Net Indebtedness..... 11,564,000 770,420 697,853 - -

DEBT LIMITATION IN EXCESS

OF OUTSTANDING INDEBTEDNESS.... \$ 66,826,393 \$ 156,010,367 \$ 129,952,802 \$ 113,230,568 \$ 104,520,524

¹ Excludes self-supporting water debt as follows: \$749,000 of outstanding bonds and \$250,000 of authorized but unissued debt.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$243,881,224.

Debt Authorized but Unissued
As of May 20, 2026
(Pro Forma)

Project	Amount Authorized	Previously		This Issue: The Bonds	Authorized But Unissued Debt
		Bonded/ Paydowns	Grants		
Schools (2004).....	\$ 47,000,000	\$ 18,850,000	\$ 28,050,580	\$ -	\$ 99,420
WPCA Denitrification Project.....	2,330,500	1,700,499	505,590	-	124,411
Road & Bridge Improvements....	6,000,000	-	-	3,000,000	3,000,000
Total	\$ 55,330,500	\$ 20,550,499	\$ 28,556,170	\$ 3,000,000	\$ 3,223,831

Ratios of Long-Term Debt to Valuation, Population and Income

Fiscal Year Ended 6/30	Net Assessed Value	Net Estimated Full Value	Net Long-Term Debt ¹	Ratio of Net Long-Term Debt to Estimated Full Value			Population ²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income ³
				Long-Term Debt to Assessed Value (%)	Net Long-Term Debt to Estimated Full Value (%)	Population ²			
2025 ⁴	\$ 909,445,000	\$ 1,299,207,143	\$ 7,720,000	0.85%	0.59%	11,746	\$ 657.25	1.49%	
2024	915,767,000	1,308,238,571	9,830,000	1.07%	0.75%	11,746	836.88	1.89%	
2023	885,209,000	1,264,584,286	11,640,000	1.31%	0.92%	11,746	990.98	2.24%	
2022	752,575,000	1,075,107,143	14,050,000	1.87%	1.31%	11,746	1,196.15	2.71%	
2021	804,316,000	1,149,022,857	16,420,000	2.04%	1.43%	11,746	1,397.92	3.16%	

¹ Long-Term debt includes State of CT Clean Water Fund Loans and Water debt but is net of State of CT School Building Grants receivable.

² U.S. Census Bureau, American Community Survey 2020-2024 estimates.

³ U.S. Census Bureau, American Community Survey 2020-2024 estimates, Money Income Per Capita \$44,216.

⁴ Subject to audit.

Source: Town of Plymouth, Department of Finance and Annual Audited Financial Statements.

Principal Amount of Outstanding Debt

Long-Term Debt ¹	2025	2024	2023	2022	2021
Bonds.....	\$ 7,720,000	\$ 9,830,000	\$ 11,640,000	\$ 14,050,000	\$ 16,420,000
Short-Term Debt					
Bond Anticipation Notes.....	-	-	-	-	-
Totals.....	\$ 7,720,000	\$ 9,830,000	\$ 11,640,000	\$ 14,050,000	\$ 16,420,000

¹ Does not include compensated absences or capital lease obligations. Includes Water and Clean Water Fund loans.

Source: Town of Plymouth Financial Reports 2021-2024. 2025 provided by Finance Department.

Ratio of Debt Service to General Fund Expenditures (Includes Transfers Out)

Fiscal Year Ended 6/30	Total Debt Service	Total General Fund Expenditures ¹	Ratio of Total Debt Service to General Fund Expenditures
2025 ²	\$ 3,003,217	\$ 47,932,957	6.27%
2024	3,298,433	47,852,041	6.89%
2023	3,390,803	47,497,064	7.14%
2022	3,246,110	44,542,377	7.29%
2021	3,160,974	43,862,322	7.21%
2020	3,169,300	41,986,609	7.55%
2019	3,171,687	43,947,172	7.22%
2018	2,940,060	43,947,172	6.69%
2017	2,859,842	44,258,654	6.46%
2016	2,824,632	42,100,479	6.71%

¹ Includes transfers out.

² Subject to audit. Expenditures have been increased to account for the estimated State of Connecticut on-behalf payments for Teacher's Retirement.

Source: Town of Plymouth Financial Statements 2016-24. Finance Department, 2025 (Budgetary Basis, Subject to Audit).

VI. Financial Administration

Fiscal Year

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

Accounting Policies

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

Basis of Accounting

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

Audit

Pursuant to the provisions as delineated in the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes), the Town is obligated to undergo an annual examination by an independent certified public accountant. The firm of CBIZ CPA P.C., of Providence, Rhode Island, is the auditors, and is required to conduct an examination under the guidelines issued by the State of Connecticut, Office of Policy & Management, who receive a copy of said audit report when completed.

Budgetary Procedures

The Town adheres to the following procedure in establishing the annual budget. No later than January 31, each department head, office or agency shall file with the mayor, a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 10. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 15.

The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the Town referendum. Within ten business days after such meeting the Board of Finance shall present the recommended budget to the budget referendum, if required, and, at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper.

A referendum vote for approval of the annual budget is required under the Charter only if the proposed increase or decrease from the prior year's approved budget is more than 3%. A proposed budget with a less than 3% change from the prior year requires approval by the Town Council. The Board of Finance recommends the annual budget for the referendum that is held before May 3 or to the Town Council for approval. Upon approval of the budget, the Board of Finance sets the tax rate.

If the proposed budget is not more than 3% higher or lower than the current year's original budget, the Town Council may consider and approve the same by a majority vote. If needed, the Town Council schedules the annual budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service shall not be more than three percent higher or lower than of the current year's budget. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

All unencumbered appropriations lapse at year-end, except those for the Capital Projects Fund and certain special revenue grants. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Employee Pension Systems

The Town maintains two defined benefit pension plans that cover substantially all of its employees, except police officers and the certified faculty and administrative personnel of the Board of Education. The Town funds its pension liability each year based on the recommendation of an independent actuary. The Town's most recent actuarial report is as of June 30, 2025 for the Town and Board of Education Plan.

All uniformed police officers are covered under the State administered Municipal Employee Retirement Fund B, a multi-employer cost sharing public employee retirement system.

All certified faculty and administrative personnel are in a contributory retirement plan administered by the State of Connecticut Teachers' Retirement Board. Neither the Board of Education nor the Town has a legal obligation to contribute to the plan. The actuarial present value of accumulated plan benefits for this plan is not available.

Net Pension Liability

TOWN

Total Pension Liability at June 30, 2025.....	\$ 10,929,590
Plan Fiduciary Net Position.....	<u>4,928,941</u>
Net Pension (Asset) Liability.....	\$ 6,000,649
Plan Fiduciary Net Position as % of Total Pension Liability.....	45.10%

BOARD OF EDUCATION

Total Pension Liability at June 30, 2025.....	\$ 8,333,600
Plan Fiduciary Net Position.....	<u>5,161,683</u>
Net Pension (Asset) Liability.....	\$ 3,171,917
Plan Fiduciary Net Position as % of Total Pension Liability.....	61.94%

Schedule of Employer Contributions

TOWN

	<u>2026</u> ¹	<u>2025</u> ²	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution (ADC).....	\$ 1,050,000	\$ 881,460	\$ 881,460	\$ 837,263	\$ 837,263
Contributions in Relation to the ADC.....	<u>1,190,000</u>	<u>1,088,967</u>	<u>1,049,571</u>	<u>463,675</u>	<u>1,471,838</u>
Contribution Deficiency (Excess).....	\$ (140,000)	\$ (207,507)	\$ (168,111)	\$ 373,588	\$ (634,575)
Covered Employee Payroll.....	\$ 482,746	\$ 482,746	\$ 482,746	\$ 478,484	\$ 478,484
Contributions as a Percentage of Covered Employee Payroll.....	246.51%	225.58%	217.42%	96.91%	307.60%
Contributions in Relation to the ADC as a %....	113.33%	123.54%	119.07%	55.38%	175.79%

¹ Budgeted.

² Unaudited.

BOARD OF EDUCATION

	2026¹	2025²	2024	2023	2022
Actuarially Determined Contribution (ADC).....	\$ 400,722	\$ 400,722	\$ 400,722	\$ 409,938	\$ 409,938
Contributions in Relation to the ADC.....	436,008	461,017	336,017	407,740	336,017
Contribution Deficiency (Excess).....	\$ (35,286)	\$ (60,295)	\$ 64,705	\$ 2,198	\$ 73,921
Covered Employee Payroll.....	\$ 870,151	\$ 870,151	\$ 870,151	\$ 1,072,445	\$ 1,072,445
Contributions as a Percentage of					
Covered Employee Payroll.....	50.11%	52.98%	38.62%	38.02%	31.33%
Contributions in Relation to the ADC as a %....	108.81%	115.05%	83.85%	99.46%	81.97%

¹ Budgeted.

² Unaudited.

The Town has budgeted 112% of the full amount of the annual required contribution (“ARC”) for the 2026 budget year for the combined Town and Board of Education Pension plans. The reason actual contributions were lower than the ARC in prior years was due to employee retirements. The Town was contributing on a payroll basis versus an actual contribution. Therefore, a shortfall occurred as employees retired. The Town has begun increasing its funding percentage each budget year such that the payment to the Plans will be for the full amount of the ARC.

For further discussion on the plans, see Appendix A – Notes to Financial Statements, Note 11.

Other Post-Employment Benefits

The Town and Board of Education provide post-retirement health care benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The Town does not issue stand-alone financial statements for this program.

The healthcare benefits payable to members for the Town plan are for members who are age 55 with 25 years of service or at age 62 or older who are eligible for benefits from the pension plan. The retirees will pay the Town’s share of the co-payment when they retire and shall be eligible for single coverage only. The retiree has the option to purchase health insurance at 100% of the cost for their spouse upon retirement. At age 65, the Town provides health insurance coverage up to 75% of the cost of Connecticut Blue Cross Blue Shield for the eligible retirees once enrolled in Medicare A & B programs.

As of the July 1, 2024 valuation, plan membership consisted of 198 active plan members, 58 retired members, 2 beneficiaries and 17 spouses of retirees for a total of 275 participants.

The Town’s funding and payment of postemployment benefits for the year ended June 30, 2025 are accounted for in the General Fund on a pay-as-you-go basis. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

The Town’s annual other post-employment benefit (OPEB) cost is calculated based on the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The total OPEB liability as of June 30, 2025 is \$12,287,664. The Town plans to develop a policy to fully fund this obligation.

For additional information, see Appendix A – Notes to Financial Statements, Note 12.

Investment Policies and Procedures

The Town's investment practices have been to invest only in the following investments: (1) certificates of deposit; and (2) overnight repurchase agreements collateralized by U.S. government agency obligations which are priced daily: Additional information on the Town's specific investment policies and investments are available upon request to the Director of Finance.

Intergovernmental Revenues

Fiscal Year	Intergovernmental Revenues	Total Revenues	Intergovernmental As % of Total Revenues
2025 ¹	\$ 10,739,789	\$ 47,231,488	22.7%
2024	15,034,606	49,724,466	30.2%
2023	15,159,977	48,429,730	31.3%
2022	14,076,272	46,563,986	30.2%
2021	13,607,952	45,949,363	29.6%
2020	13,665,860	45,027,054	30.4%
2019	12,043,221	42,711,312	28.2%
2018	14,690,771	44,335,380	33.1%
2017	15,226,825	43,712,387	34.8%
2016	13,691,121	41,340,709	33.1%

¹ Subject to audit.

Source: Annual audited financial statements and Finance Department.

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Supplemental Appropriation

Under the Town Charter, any appropriation supplemental to the annual budget of any department in excess of \$50,000 of the approved departmental budget requires approval at a special Town Meeting. The Board of Finance, upon written request, may transfer unexpended balances from one appropriation to another in accordance with the Connecticut General Statutes. Additional appropriations must be submitted to the Town Council for its recommendation and then to the Board of Finance for appropriate action.

Comparative Balance Sheet - General Fund

Assets	Unaudited				
	2024-25 ¹	2023-24	2022-23	2021-22	2020-21
Cash.....	\$ 14,491,167	\$ 12,340,953	\$ 11,014,328	\$ 9,242,279	\$ 9,105,055
Investments.....	-	-	-	-	-
Receivables:					
Property Taxes.....	1,236,407	1,236,407	794,803	675,374	605,767
Interest.....	253,237	253,237	184,208	159,053	162,331
Intergovernmental.....	719	719	719	719	719
Other.....	1,003	1,003	1,003	1,003	26,033
Due From Other Funds.....	2,109,226	2,445,068	2,384,596	2,171,922	1,491,929
Other Assets.....	-	-	-	-	-
Total Assets	18,091,759	16,277,387	14,379,657	12,250,350	11,391,834
Liabilities:					
Accounts Payable	712,774	1,237,030	563,481	836,786	432,823
Due to Other Funds	3,583,023	2,934,938	3,291,695	3,476,936	3,519,465
Deferred Revenue	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	4,295,797	4,171,968	3,855,176	4,313,722	3,952,288
Deferred Inflows of Resources					
Unearned Revenue	1,337,821	1,337,821	823,650	671,469	626,513
Advanced Property Taxes	-	-	-	-	-
Total	1,337,821	1,337,821	823,650	671,469	626,513
Fund Balances: ¹					
Nonspendable.....	-	-	-	-	-
Restricted.....	-	-	-	-	-
Committed.....	100,000	-	100,000	100,000	100,000
Assigned.....	1,637,529	837,977	344,884	982,888	733,634
Unassigned.....	9,030,079	9,929,621	9,255,947	6,182,271	5,979,399
Total Fund Balance	10,767,608	10,767,598	9,700,831	7,265,159	6,813,033
Total Liabilities, Fund Balances, and Deferred Inflows	\$ 16,401,226	\$ 16,277,387	\$ 14,379,657	\$ 12,250,350	\$ 11,391,834

¹ Subject to audit.

Source: Annual audited financial statements.

General Fund Revenues and Expenditures
Four Year Summary of Audited Revenues and Expenditures (GAAP Basis)
and Estimated Actual & Adopted Budget (Budgetary Basis)

Revenues:	Adopted Budget ¹ 2026-27	Adopted Budget ¹ 2025-26	Estimated Actual ¹ 2024-25	Actual 2023-24	Actual 2022-23	Actual 2021-22
Property Taxes	\$ 36,721,324	\$ 35,321,313	\$ 34,854,458	\$ 33,588,235	\$ 32,415,876	\$ 31,554,599
Charges for services.....	472,250	481,400	448,081	699,660	609,710	561,104
Intergovernmental	10,855,642	10,635,684	10,739,789	15,034,606	15,159,977	14,076,272
Income on Investments.....	600,000	600,000	849,008	287,602	14,025	19,177
Contributions.....	-	-	-	-	3,501	44,449
Other	65,000	265,000	340,152	114,363	226,641	308,385
Total Revenues	48,714,216	47,303,397	47,231,488	49,724,466	48,429,730	46,563,986
Expenditures:						
Current:						
General government	7,761,140	7,441,014	6,515,936	5,316,279	5,040,483	6,073,584
Public Safety	4,561,699	4,492,795	4,146,835	3,480,586	3,428,834	3,355,230
Public Works	4,068,824	3,647,722	3,488,429	3,254,187	3,210,106	3,084,776
Health and Welfare	174,855	174,140	177,487	246,165	228,437	213,400
Libraries	547,338	513,622	479,241	483,193	458,282	424,541
Recreation	166,778	119,681	170,813	288,545	273,474	269,192
Education	28,703,423	27,578,551	27,433,420	30,023,631	29,141,443	28,793,988
Land Use	147,237	166,568	155,950	190,237	195,270	152,166
Capital Outlay	586,168	979,481	1,620,347	1,544,283	1,778,882	1,134,687
Debt Service	1,996,755	2,189,823	3,003,217	3,298,433	3,390,803	3,246,110
Total Expenditures	48,714,217	47,303,397	47,191,675	48,125,539	47,146,014	46,747,674
Revenues over (under) expenditures	(1)	-	39,813	1,598,927	1,283,716	(183,688)
Other Financing Sources Uses:						
Bond Premium.....	-	-	-	-	-	-
Proceeds From Finance Agreements	-	-	-	535,314	-	-
Note Issuance	-	-	-	-	1,769,510	1,133,227
Capital Lease Issuance	-	-	317,096	-	-	-
Operating Transfers In	-	-	-	400,310	88,473	251,977
Operating Transfers (Out)	(586,168)	(979,481)	(741,282)	(1,467,784)	(706,027)	(749,390)
Total other Financing Sources (uses) ...	(586,168)	(979,481)	(424,186)	(532,160)	1,151,956	635,814
Revenues and other financing sources over (under) expenditures and other financing (uses)	\$ (586,169)	\$ (979,481)	\$ (384,373)	\$ 1,066,767	\$ 2,435,672	\$ 452,126

¹ Budgetary basis and subject to audit.

Source: Annual audited financial statements and Finance Department.

Analysis of General Fund Equity

Fund Balances:	Estimated Actual ¹ 2024-25	Actual 2023-24	Actual 2022-23	Actual 2021-22	Actual 2020-21
Committed.....	\$ 100,000	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
Assigned.....	1,637,529	837,977	344,884	982,888	733,634
Unassigned.....	9,030,079	9,929,621	9,255,947	6,182,271	5,979,399
Total Fund Balance	\$ 10,767,608	\$ 10,767,598	\$ 9,700,831	\$ 7,265,159	\$ 6,813,033

¹ Budgetary basis and subject to audit.

Source: Annual audited financial statements and Finance Department.

VII. Legal and Other Information

Litigation

The Town, its officers, employees, boards and commissions are defendants in various lawsuits. The Town Attorney is of the opinion that all pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town which would materially adversely affect its financial position.

Transcript and Closing Documents

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

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay the principal of and interest on the Bonds;
2. A certificate on behalf of the Town, signed by the Mayor, Treasurer, and the Director of Finance, which will be dated the date of delivery, which will certify, to the best of said officials' knowledge and belief, that at the time the bids were accepted on the Bonds, the description and statements in the Preliminary 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 Preliminary Official Statement;
3. A receipt for the purchase price of the Bonds;
4. The approving opinion for the Bonds of Robinson & Cole LLP, Bond Counsel, of Hartford, Connecticut; in substantially the form attached here to as Appendix B;
5. An executed continuing disclosure agreement for the Bonds in substantially the form attached hereto as Appendix C; and
6. The Town will make available to the winning purchaser of the Bonds a reasonable number of copies of the Official Statement at the Town's expense and delivered not later than seven business days after the bid opening. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. If the Town's Municipal Advisor is provided with the necessary information from the winning bidder by Noon (E.T.) on the day after the bid opening, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating, yields or reoffering prices, the name of the winning bidder for the Bonds.

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

Concluding Statement

This Official Statement is not to be construed as a contract or agreement between the Town and the winning purchaser or holders of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representation of fact, and no representation is made that any of such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provision of law is subject to repeal or amendment.

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

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

TOWN OF PLYMOUTH, CONNECTICUT

By: _____
David Sekorski, *Mayor*

By: _____
Vijay Dora, *Director of Finance*

By: _____
Susan R. Murawski, *Town Treasurer*

Dated: April __, 2026

Appendix A

2024 General Purpose Financial Statements (Excerpted from the Town's Comprehensive Annual Financial Report)

The following includes the General Purpose Financial Statements of the Town of Plymouth, Connecticut for the fiscal year ended June 30, 2024. The supplemental data and letter of transmittal, which were a part of that report, have not been reproduced herein. A copy of the complete report is available upon request from Matthew Spoerndle, Senior Managing Director, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street, Suite #1, Milford, Connecticut. Telephone (203) 878-4945.

Independent Auditors' Report

To the Honorable Mayor and
Members of the Board of Finance
Town of Plymouth, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Plymouth, Connecticut (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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Correction of an Error

As discussed in Note 14 to the financial statements, in 2024 the Town corrected an error relating to its small cities loan receivable deferred inflow of resources. Our opinion is not modified with respect to this correction.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information presented is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Providence, RI
December 23, 2025

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

The management of the Town of Plymouth, Connecticut (the "Town") offers the readers of its financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2024.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$145,690,631 (net position).
- The Town's total net position increased by \$2,057,438 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,836,336, an increase of \$814,388 in comparison with the prior year.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$9,929,621 or 22.6% of the fiscal year 2024 General Fund budgetary expenditure appropriations.
- The Town's total long-term bonded debt, notes payable and long-term finance agreements decreased by \$1,755,551 or 11.84% during the current fiscal year due to current year principal payments offset by issuances of bonds of \$600,000 and finance agreement issuances of \$535,314.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements

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

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

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

The government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include activities such as: general government, public works, public safety, library, recreation, land use and education.

The government-wide financial statements can be found on pages 14 through 16 of this report.

Fund Financial Statements

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

Governmental Funds

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

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

The basic governmental fund financial statements can be found on pages 17 through 20 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of retirees for pension benefits. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs.

The basic fiduciary fund financial statements can be found on pages 21 and 22 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 81 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information and other supplementary information consisting of combining and individual fund statements and schedules that can be found on pages 82 through 110 of this report.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Over time, net position may serve as one measure of a government's financial position. The net position of the Town totaled \$145,690,631 as of June 30, 2024 and \$143,633,193 as of June 30, 2023, and is summarized as follows:

	June 30, 2024	June 30, 2023	\$ Variance	% Variance
	Governmental Activities	Governmental Activities		
Current and other assets	\$ 25,298,892	\$ 24,908,263	\$ 390,629	1.57%
Capital assets	<u>169,862,830</u>	<u>169,742,389</u>	<u>120,441</u>	0.07%
Total assets	<u>195,161,722</u>	<u>194,650,652</u>	<u>511,070</u>	0.26%
Deferred outflows of resources	<u>5,588,306</u>	<u>6,674,060</u>	<u>(1,085,754)</u>	-16.27%
Current and other liabilities	6,777,974	7,849,986	(1,072,012)	-13.66%
Long-term liabilities	<u>42,074,071</u>	<u>42,982,380</u>	<u>(908,309)</u>	-2.11%
Total liabilities	<u>48,852,045</u>	<u>50,832,366</u>	<u>(1,980,321)</u>	-3.90%
Deferred inflows of resources	<u>6,207,352</u>	<u>6,859,153</u>	<u>(651,801)</u>	-9.50%
Net Position:				
Net investment in capital assets	156,643,520	153,887,538	2,755,982	1.79%
Restricted	3,361,127	4,558,668	(1,197,541)	-26.27%
Unrestricted	<u>(14,314,016)</u>	<u>(14,813,013)</u>	<u>498,997</u>	-3.37%
Total net position	<u>\$ 145,690,631</u>	<u>\$ 143,633,193</u>	<u>\$ 2,057,438</u>	1.43%

Total assets of the Town at June 30, 2024 and 2023 were \$195,161,722 and \$194,650,652, respectively, an increase of 0.26%. The significant components of current assets and other assets are cash, investments, tax receivables, grant receivables, and loan receivables. Capital assets include land, buildings and building improvements, land improvements, infrastructure, construction in progress, and equipment and vehicles. All capital assets except for land and construction in progress are shown net of accumulated depreciation.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Net Position (Continued)

Total liabilities of the Town at June 30, 2024 and 2023 were \$48,852,045 and \$50,832,366, respectively, a decrease of 3.90%. Current liabilities include accounts payable, accrued liabilities, current portions of long-term liabilities and unearned revenue. Noncurrent liabilities are primarily made up of the long-term portion of debt, accrued compensated absences net pension and OPEB liabilities.

Deferred inflows and outflows of resources relate to the Town's pension and OPEB liabilities. In 2024, the Town's deferred outflows decreased by \$1,085,754 and deferred inflows decreased by \$651,801. These changes are the result of fluctuations in the actuarial valuations of the liabilities and the change in the value of pension assets.

Net position represents the Town's equity, which is accounted for in three major categories. The first category, net investment in capital assets, represents the Town's equity in land, buildings and building improvements, construction in progress, infrastructure, and equipment, net of related accumulated depreciation and capital debt outstanding. The next net position category is restricted net position; which occurs when constraints are placed on the assets by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc. The last category is unrestricted net position; these funds are available to use for any lawful and prudent purpose of the Town. Unrestricted net position increased by \$498,997, or 3.37%, for the fiscal year.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position

Changes in net position for the years ended June 30, 2024 and 2023 are as follows:

	June 30, 2024	June 30, 2023		
	Governmental	Governmental		
	Activities	Activities	\$ Variance	% Variance
Revenues				
Program revenues:				
Charges for services	\$ 4,735,290	\$ 4,199,017	\$ 536,273	12.77%
Operating grants and contributions	16,898,383	18,902,647	(2,004,264)	-10.60%
Capital grants and contributions	1,844,377	1,971,337	(126,960)	-6.44%
General revenues				
Property taxes	34,102,406	32,568,057	1,534,349	4.71%
Grants and contributions not restricted to specific programs	322,022	311,471	10,551	3.39%
Miscellaneous	49,344	305,641	(305,641)	-100.00%
Unrestricted investment earnings	494,513	159,309	335,204	210.41%
Total revenues	<u>58,446,335</u>	<u>58,417,479</u>	<u>(20,488)</u>	-0.04%
Program expenses:				
General government	5,586,167	7,344,797	(1,758,630)	-23.94%
Public safety	5,333,957	5,622,395	(288,438)	-5.13%
Public works	8,886,014	8,546,098	339,916	3.98%
Health and safety	383,541	337,951	45,590	13.49%
Library	564,663	583,766	(19,103)	-3.27%
Recreation	336,355	289,464	46,891	16.20%
Education	34,556,098	34,168,749	387,349	1.13%
Land use	236,721	241,755	(5,034)	-2.08%
Interest expense	505,381	476,504	28,877	6.06%
Total Expenses	<u>56,388,897</u>	<u>57,611,479</u>	<u>(1,222,582)</u>	-2.12%
Change in net position	<u>\$ 2,057,438</u>	<u>\$ 806,000</u>	<u>\$ 1,202,094</u>	149.14%

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position (Continued)

Governmental activities increased the Town's net position by \$2,057,438.

Total revenues generated by the Town decreased by \$20,488 or 0.04% in comparison to revenues reported in the prior year. The decrease in operating grant revenue of \$2,023,639 or 10.71% was primarily related to the reduction of ESSER federal funding compared to the prior year. The Town's property tax revenue increased \$1,534,349 or 4.71% compared to the prior year due to an increase in mill rate in 2024.

Expenses incurred by the Town decreased \$1,222,582 or 2.12% in comparison to expenses reported in the prior year. Decrease is primarily due to fluctuations in pension and OPEB liabilities.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

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

As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,836,336. Of this amount, \$9,483,186 is unassigned and available for spending at the discretion of the Town.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,929,621. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 22.6% of the fiscal year 2024 General Fund budgetary expenditure appropriations.

The fund balance of the Town's General Fund increased by \$1,066,767 during the current fiscal year.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$1,066,767. Expenditures, excluding transfers out were \$569,832 less than budgeted and revenues, excluding transfers in were \$1,002,961 more than budgeted. The Town saw savings in highway and employee benefit expenditures. See pages 82-85 for the detailed comparison of budget versus actual for the year ended June 30, 2024.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets as of June 30, 2024 and 2023 totaled \$169,862,830 and \$169,742,389, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles and equipment, infrastructure and construction in progress. The following table is a two-year comparison of the investment in capital assets:

	Governmental		\$ Variance	% Variance
	Activities			
	2024	2023		
Land	\$ 6,740,855	\$ 6,740,855	\$ --	0.00%
Buildings	72,681,002	72,681,002	--	0.00%
Building Improvements	20,121,938	19,825,666	296,272	1.49%
Land improvements	7,087,443	6,712,443	375,000	5.59%
Machinery and equipment	10,402,431	10,167,867	234,564	2.31%
Vehicles	8,686,765	8,337,441	349,324	4.19%
Infrastructure	147,469,743	145,045,983	2,423,760	1.67%
Construction in progress	3,487,763	1,543,234	1,944,529	126.00%
Accumulated depreciation	(106,815,110)	(101,312,102)	(5,503,008)	5.43%
Total	<u>\$ 169,862,830</u>	<u>\$ 169,742,389</u>	<u>\$ 120,441</u>	0.07%

Major capital additions in the current year include Town Hall renovations, Napco Bridge, Communications tower, tennis and pickle ball court, and town aid road costs.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-term Debt

At the end of the current fiscal year, the Town had total bonded debt, notes payable and finance agreements outstanding of \$13,068,439. The Town's total capital debt decreased by \$1,755,551 or 11.84% during the current fiscal year due to current year principal payments.

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

The following table is a two-year comparison of long-term bonded debt, notes payable, and finance agreement debt:

	Governmental		\$ Variance	% Variance
	Activities			
	2024	2023		
General obligation bonds	\$ 9,830,000	\$ 11,640,000	\$ (1,810,000)	-15.55%
Notes payable	685,057	741,616	(56,559)	-7.63%
Finance agreements	<u>2,553,382</u>	<u>2,442,374</u>	<u>111,008</u>	4.55%
Total	<u>\$ 13,068,439</u>	<u>\$ 14,823,990</u>	<u>\$ (1,755,551)</u>	-11.84%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town of Plymouth continues to demonstrate a steady economic recovery with key financial indicators showing stability. As of June 30, 2025, the unemployment rate for the Town was 3.3%, a slight decrease from 3.6% as of June 30, 2024, and comparable to the State of Connecticut's rate of 3.1%.

Inflationary pressures remain consistent with national and regional trends, continuing to influence operating costs, wage adjustments, and capital project expenditures. Despite these challenges, the Town has maintained a strong commitment to fiscal discipline and long-term planning.

The 2024-2025 General Fund budget decreased by approximately \$1,197,738 (or 2.7%) over the prior year, primarily due to education-related costs, contractual wage obligations, and increases in public safety and employee benefit expenses. The mill rate for property taxes increased to 38.64 mills for FY2024-2025.

The budget assumes a current tax collection rate of 98.5% for real estate, 94.0% for motor vehicles, and 95.0% for personal property taxes. The Board of Finance continues to monitor collection trends closely throughout the fiscal year.

TOWN OF PLYMOUTH, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

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

The net taxable grand list slightly decreased and was closed to the prior year, reflecting ongoing residential improvements, business park expansions, and new commercial development initiatives. The Town continues to actively pursue new commercial enterprises and encourage reinvestment in existing properties to strengthen the local tax base and reduce reliance on residential taxpayers.

Looking ahead, Plymouth's management remains focused on sustaining financial stability, expanding economic development opportunities, and maintaining essential services while balancing the need for infrastructure investment and taxpayer affordability.

REQUESTS FOR INFORMATION

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 Town of Plymouth, 80 Main Street, Terryville, CT 06786.

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2024

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 19,848,091
Investments	492,235
Restricted investments	1,271,020
Receivables:	
Property taxes and interest, net	1,516,544
Intergovernmental	109,750
Usage charges	187,924
Other	637,889
Loans, net	709,658
Land held for resale	<u>525,781</u>
Total Current Assets	<u>25,298,892</u>
Noncurrent Assets	
Capital assets not being depreciated	10,228,618
Capital assets, net of accumulated depreciation	<u>159,634,212</u>
Total Noncurrent Assets	<u>169,862,830</u>
Total Assets	<u>195,161,722</u>
Deferred Outflows of Resources	
Pension-related deferred outflows	3,031,152
OPEB-related deferred outflows	<u>2,557,154</u>
Total Deferred Outflows of Resources	<u>5,588,306</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2024

	Governmental Activities
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities	2,440,820
Accrued interest	177,888
Unearned revenue	1,495,991
Current portion of compensated absences	127,821
Current portion of general obligation bonds	2,110,000
Current portion of notes payable	57,701
Current portion of finance agreements	367,753
Total Current Liabilities	<u>6,777,974</u>
Noncurrent Liabilities	
Compensated absences, net	1,150,386
General obligation bonds and notes, net	7,870,871
Notes payable, net	627,356
Finance agreements, net	2,185,629
Landfill postclosure liability	200,000
Early retirement incentive	18,750
Net pension liability	17,174,587
Total OPEB liability	12,846,492
Total Noncurrent Liabilities	<u>42,074,071</u>
Total Liabilities	<u>48,852,045</u>
Deferred Inflows of Resources	
Pension-related deferred inflows	1,069,282
OPEB-related deferred inflows	5,138,070
Total Deferred Inflows of Resources	<u>6,207,352</u>
Net Position	
Net investment in capital assets	156,643,520
Restricted	3,361,127
Unrestricted	<u>(14,314,016)</u>
Total Net Position	<u>\$ 145,690,631</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Change in Net Position
		Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Primary Government Governmental Activities
Governmental Activities:					
General government	\$ 5,586,167	\$ 203,319	\$ 676,574	\$ 1,189,636	\$ (3,516,638)
Public safety	5,333,957	1,403,961	19,287	--	(3,910,709)
Public works	8,886,014	2,319,598	19,375	654,741	(5,892,300)
Health and safety	383,541	--	--	--	(383,541)
Library	564,663	27	--	--	(564,636)
Recreation	336,355	312,398	65,579	--	41,622
Education	34,556,098	495,987	16,117,568	--	(17,942,543)
Land use	236,721	--	--	--	(236,721)
Interest expense	505,381	--	--	--	(505,381)
Total Governmental Activities	56,388,897	4,735,290	16,898,383	1,844,377	(32,910,847)
Total	\$ 56,388,897	\$ 4,735,290	\$ 16,898,383	\$ 1,844,377	\$ (32,910,847)
General Revenues:					
Property taxes					34,102,406
Grants and contributions not restricted to specific programs					322,022
Unrestricted investment earnings					494,513
Miscellaneous					49,344
Total General Revenues and transfers					34,968,285
					Change in net position 2,057,438
					Net position - beginning 143,633,193
					Net position - ending \$ 145,690,631

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

TOWN OF PLYMOUTH, CONNECTICUT

BALANCE SHEET GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund	Sewer Operating	ARPA Fund	Capital Projects	Capital and Nonrecurring	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 12,340,953	\$ 2,329,886	\$ 1,194,944	\$ 553,512	\$ --	\$ 3,428,796	\$ 19,848,091
Investments	--	129,626	--	--	--	362,609	492,235
Restricted investments	--	--	--	--	--	1,271,020	1,271,020
Receivables:							
Property taxes, net	1,236,407	--	--	--	--	--	1,236,407
Interest	253,237	26,900	--	--	--	--	280,137
Assessments / user charges	--	187,924	--	--	--	--	187,924
Intergovernmental	719	--	--	--	--	109,031	109,750
Loan receivables	--	--	--	--	--	709,658	709,658
Other	1,003	--	--	196,463	347,741	92,682	637,889
Due from other funds	2,445,068	--	--	--	--	1,972,367	4,417,435
Land held for resale	--	--	--	525,781	--	--	525,781
Total Assets	<u>\$ 16,277,387</u>	<u>\$ 2,674,336</u>	<u>\$ 1,194,944</u>	<u>\$ 1,275,756</u>	<u>\$ 347,741</u>	<u>\$ 7,946,163</u>	<u>\$ 29,716,327</u>
Liabilities							
Accounts payable and accrued liabilities	\$ 1,237,030	\$ 150,377	\$ 62,382	\$ 345,210	\$ 545,788	\$ 100,033	\$ 2,440,820
Unearned revenue	--	--	1,132,562	5,000	--	358,429	1,495,991
Due to other funds	2,934,938	613,640	--	--	--	868,857	4,417,435
Total Liabilities	<u>4,171,968</u>	<u>764,017</u>	<u>1,194,944</u>	<u>350,210</u>	<u>545,788</u>	<u>1,327,319</u>	<u>8,354,246</u>
Deferred Inflows of Resources							
Unavailable revenue-sewer user charges	--	187,924	--	--	--	--	187,924
Unavailable revenue-property taxes and interest	1,337,821	--	--	--	--	--	1,337,821
Total Deferred Inflows of Resources	<u>1,337,821</u>	<u>187,924</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,525,745</u>
Fund Balances							
Nonspendable	--	--	--	525,781	--	2,019,046	2,544,827
Restricted	--	--	--	--	--	2,051,739	2,051,739
Committed	--	1,722,395	--	399,765	--	938,640	3,060,800
Assigned	837,977	--	--	--	--	1,857,807	2,695,784
Unassigned	9,929,621	--	--	--	(198,047)	(248,388)	9,483,186
Total Fund Balances	<u>10,767,598</u>	<u>1,722,395</u>	<u>--</u>	<u>925,546</u>	<u>(198,047)</u>	<u>6,618,844</u>	<u>19,836,336</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 16,277,387</u>	<u>\$ 2,674,336</u>	<u>\$ 1,194,944</u>	<u>\$ 1,275,756</u>	<u>\$ 347,741</u>	<u>\$ 7,946,163</u>	<u>\$ 29,716,327</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

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

JUNE 30, 2024

Total Fund Balances for Governmental Funds	\$ 19,836,336
Total Net Position Reported for Governmental Activities in the Statement of Net Position is Different Because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:	
Nondepreciable	\$ 10,228,618
Depreciable	266,449,322
Less: accumulated depreciation and amortization	<u>(106,815,110)</u>
Total Capital Assets, Net	169,862,830
Revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred inflows of resources in the governmental funds.	1,525,745
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as governmental fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Those liabilities consist of:	
Long-Term Debt:	
Bonds payable	(9,830,000)
Notes payable	(685,057)
Unamortized bond premium	(150,871)
Finance agreements	(2,553,382)
Accrued interest payable	(177,888)
Other Long-Term Assets and Liabilities:	
Compensated absences	(1,278,207)
Landfill postclosure liability	(200,000)
Early retirement incentive	(18,750)
Net pension liability	(17,174,587)
Total OPEB liability	<u>(12,846,492)</u>
Total Long-Term Liabilities	(44,915,234)
Deferred outflows and inflows of resources resulting from changes in the components of the net pension and OPEB liabilities are reported in the statement of net position.	<u>(619,046)</u>
Net Position of Governmental Activities	<u><u>\$ 145,690,631</u></u>

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

TOWN OF PLYMOUTH, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Sewer Operating	ARPA Fund	Capital Projects	Capital and Nonrecurring	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 33,588,235	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 33,588,235
Intergovernmental	15,034,606	--	1,189,636	--	654,741	2,775,571	19,654,554
Charges for services	699,660	2,109,265	--	--	--	1,617,131	4,426,056
Other	114,363	--	--	--	--	362,052	476,415
Interest	287,602	13,413	--	--	--	193,498	494,513
Total Revenue	<u>49,724,466</u>	<u>2,122,678</u>	<u>1,189,636</u>	<u>--</u>	<u>654,741</u>	<u>4,948,252</u>	<u>58,639,773</u>
Expenditures							
Current							
General government	5,316,279	--	--	18,756	--	23,527	5,358,562
Public safety	3,480,586	--	11,830	--	--	1,105,288	4,597,704
Public works	3,254,187	1,742,406	--	--	--	938,358	5,934,951
Health and safety	246,165	--	--	--	--	107,053	353,218
Library	483,193	--	--	--	--	57,594	540,787
Recreation	288,545	--	--	--	--	--	288,545
Education	30,023,631	--	--	--	--	2,653,369	32,677,000
Land use	190,237	--	--	--	--	--	190,237
Capital outlays	1,544,283	112,701	1,177,806	--	2,788,659	--	5,623,449
Debt Service							
Principal payments	2,809,211	81,654	--	--	--	--	2,890,865
Interest and other charges	489,222	16,159	--	--	--	--	505,381
Total Expenditures	<u>48,125,539</u>	<u>1,952,920</u>	<u>1,189,636</u>	<u>18,756</u>	<u>2,788,659</u>	<u>4,885,189</u>	<u>58,960,699</u>
Excess of Revenues over Expenditures	<u>1,598,927</u>	<u>169,758</u>	<u>--</u>	<u>(18,756)</u>	<u>(2,133,918)</u>	<u>63,063</u>	<u>(320,926)</u>
Other Financing Sources (Uses)							
Proceeds from finance agreements	535,314	--	--	--	--	--	535,314
Proceeds from long term debt	--	--	--	--	600,000	--	600,000
Transfers in	400,310	--	--	35,000	752,692	762,593	1,950,595
Transfers out	(1,467,784)	--	--	--	--	(482,811)	(1,950,595)
Total Other Financing Sources (Uses)	<u>(532,160)</u>	<u>--</u>	<u>--</u>	<u>35,000</u>	<u>1,352,692</u>	<u>279,782</u>	<u>1,135,314</u>
Net Change in Fund Balances	1,066,767	169,758	--	16,244	(781,226)	342,845	814,388
Fund Balances - Beginning, as restated	<u>9,700,831</u>	<u>1,552,637</u>	<u>--</u>	<u>909,302</u>	<u>583,179</u>	<u>6,275,999</u>	<u>19,021,948</u>
Fund Balances - Ending	<u>\$ 10,767,598</u>	<u>\$ 1,722,395</u>	<u>\$ --</u>	<u>\$ 925,546</u>	<u>\$ (198,047)</u>	<u>\$ 6,618,844</u>	<u>\$ 19,836,336</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2024

Net change in fund balances - for governmental funds \$ 814,388

The net position reported for governmental activities in the statement of net position is different because:

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

Expenditures for capital assets	\$ 5,623,449	
Depreciation and amortization expense	<u>(5,503,008)</u>	
Net adjustment		120,441

Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as deferred inflows in the governmental funds. This amount represents the change in deferred inflows of resources. (193,438)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principle on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term obligations is as follows:

Debt issuance or incurred:		
Bond and direct borrowing proceeds	(1,135,314)	
Principal repayments:		
Bonds payable	2,410,000	
Notes payable	56,559	
Finance agreements	<u>424,306</u>	
		1,755,551

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However in the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds recognize the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of such items is as follows:

Compensated absences	(94,235)	
Net pension liability	(436,777)	
Total OPEB liability	466,724	
Amortization of bond premium	134,915	
Early retirement incentive	750	
Landfill postclosure liability	12,500	
Bond refunding	3,726	
Accrued interest	<u>(89,427)</u>	
		(1,824)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension and OPEB liabilities are amortized as a component of pension and OPEB expense in the statement of activities. (437,680)

Change in net position of governmental activities \$ 2,057,438

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

TOWN OF PLYMOUTH, CONNECTICUT

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

JUNE 30, 2024

	<u>Employee Benefit Trust Funds</u>
Assets	
Investments	
Guaranteed investment contracts	\$ 6,760,517
Mutual funds	2,626,943
Other receivables	<u>29,399</u>
Total Assets	<u>9,416,859</u>
 Net Position	
Restricted for pensions	<u>9,416,859</u>
 Total Net Position	 <u><u>\$ 9,416,859</u></u>

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

TOWN OF PLYMOUTH, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	<u>Employee Benefit Trust Funds</u>
Additions	
Contributions:	
Employer	\$ 1,385,588
Employee	<u>35,838</u>
Total Contributions	<u>1,421,426</u>
Investment income:	
Interest and dividends	286,888
Net appreciation in investments	<u>139,029</u>
Net Investment Income	<u>425,917</u>
Total Additions	<u>1,847,343</u>
Deductions	
Benefit payments	1,442,760
Administrative expenses	<u>76,238</u>
Total Deductions	<u>1,518,998</u>
Change in Net Position	328,345
Net Position - Beginning	<u>9,088,514</u>
Net Position - Ending	<u><u>\$ 9,416,859</u></u>

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

FINANCIAL REPORTING ENTITY

The Town of Plymouth, Connecticut (Town) is a municipal corporation. The Town operates under a home rule charter that was adopted in 1974. The Town operates under a Mayor-Town Council form of government and provides the following public services as authorized by its charter: public safety (police and fire), public works, parks and recreation, sanitation, health and social services, planning and zoning, and education.

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

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

Through the application of GASB Statement No. 61 criteria, it is determined that a component unit does not exist within the Town.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

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

Fund Financial Statements

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The funds of the Town are described below:

GOVERNMENTAL FUNDS

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

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

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

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

Permanent Funds are used to account for and report assets held by the Town pursuant to trust agreements. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

FIDUCIARY FUNDS (NOT INCLUDED IN GOVERNMENT-WIDE STATEMENTS)

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MAJOR AND NON-MAJOR FUNDS

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

<u>Fund</u>	<u>Brief Description</u>
Major:	
General Fund	See above for description.
Sewer Operating Fund	Accounts for the operations of the Town’s Sewer Collection System.
ARPA Fund	Accounts for the activity related to the American Rescue Plan Act federal grant program.
Capital and Nonrecurring	Accounts for the financial resources that are restricted, committed or assigned to be used for capital outlays, including the acquisition or construction of capital facilities and other capital assets funded by debt issuance and grants.

Non Major:

Special Revenue Funds: Grant programs including federal grants, state grants, and private grants. The Town currently maintains seventeen (17) special revenue funds which have been classified as non-major Governmental Funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

Capital Project Funds: The Town currently maintains one (1) Capital Project nonmajor fund. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

Permanent Trust Funds: The Town currently maintains five (5) Permanent Trust nonmajor funds. The details of these funds may be found in the combining fund statements in the other supplementary information section of these financial statements.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

On the Government-wide Statement of Net Position and the Statement of Activities governmental are presented using the economic resources measurement focus as defined in item (a) below and the accrual basis of accounting.

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

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

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

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

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

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

Cash and Cash Equivalents

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

Investments

The Town follows U.S. GAAP guidance on Fair Value Measurements which establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. 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 are stated at fair value.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Restricted Investments

CDBG Loans Fund

Certain investments accounts are pledged as collateral for loans made by the bank to participants in the Town's Community Development Loan Program. This amount is adjusted as loans are repaid.

Permanent Funds

Restricted investments in permanent funds are to be used for the Cemetery and Library improvements.

Assets Held for Sale

Assets held for resale represents land purchased with the intent of selling the property for future development. This is recorded at the lower of cost or estimated fair value.

Accounts Receivable

In the Government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes collected within 60 days of year-end and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions earned/measurable but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the Government-wide financial statements in accordance with the accrual basis. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. At June 30, 2024 the Town has estimated the allowance for doubtful accounts for delinquent taxes of \$200,000.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Budget Process

The Town adheres to the following procedures in establishing the annual budget. No later than January 31, each department head, office or agency shall file with the mayor a detailed estimate of the expenditures and revenues to be made by his or her department, office or agency in the ensuing fiscal year. These estimates shall be filed with the Board of Finance on or before February 10. The Board of Education shall file estimated expenditures with the Board of Finance on or before February 15. The Board of Finance shall hold one or more public hearings no later than April 23. Immediately after the public hearings, the Board of Finance shall meet with the Town Council and representatives of the Board of Education to present the recommended budget, at which time the Board of Finance, if a quorum of its members are present, may, by majority vote of its members, make changes to the budget to be recommended to the Town referendum. Within ten business days after such meeting, the Board of Finance shall present the recommended budget to the budget referendum, and at least five business days prior to the referendum, the Board of Finance shall cause the recommended budget to be published in the newspaper. In the event that the proposed budget is not more than three percent (3%) higher or lower than the current year's original approved budget, the Town Council may consider and approve the same by a majority vote. If the budget is more than 3% higher or lower than the current year's original approved budget, the Town Council shall schedule a budget referendum to be held on or before May 3. If the budget is rejected by a majority vote, a second referendum will be scheduled by the Town Council to be held within 20 days. If the budget is rejected a second time, the Town Council is authorized to adopt a budget by June 15. Council adjustments to the individual department budgets, excluding debt service, shall not exceed 3% of the current year's budgets. When adopted, the Board of Finance shall file the same with the Town Clerk and also fix the tax rate in mills.

- The Sewer Operating Budget is approved prior to July 1 by the Water Pollution Control Authority. The Town does not have legally adopted budgets for its other special revenue funds.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Budget Process (Continued)

- The Finance Director is authorized to transfer budgeted amounts within departments up to \$1,000; all transfers over \$1,000 require Board of Finance approval. Budget over expenditures in departmental line items are approved by the Board of Finance, although no actual budgetary entries are made. Additional appropriations must be approved by the Town Council. Appropriations in excess of \$50,000 must be submitted to a Town Meeting for approval.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level for the General Fund and at the fund level for the Sewer Operating Fund.
- Budgeted amounts shown are as originally adopted, or as amended by the Town Council and Board of Finance during the course of the year.
- The Board of Education is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education and Town Council approval and, if over \$50,000, Town Meeting approval.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year-end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Prepays

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets

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

In the Government-wide financial statements, long-lived assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to value of the asset or materially extend asset lives are not capitalized.

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

Asset	Years
Buildings	75-100
Building improvements	50
Land improvements	50
Roads	50-100
Bridges	50-75
Sewer plant	50
Sewer lines	100
Vehicles	5-20
Office equipment	5-25

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

The Town reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. There were no impairments reported as of June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Bond Premiums and Issuance Costs

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

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

Long-term Obligations

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

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

Compensated Absences

Employees are paid by a prescribed formula for absence due to vacation and sickness based upon the various union contracts and the Town's personnel policies. The eligibility for vacation pay, and in some instances sick pay, does not vest.

Judgments and Claims

Liabilities for legal cases and other claims against Governmental funds are recorded when the ultimate liability can be estimated and such cases are expected to be liquidated with expendable available financial resources.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2024 the Town reported \$5,588,306 of deferred outflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred outflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate section represents the acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2024 the Town reported \$6,207,352 of deferred inflows of resources related to pension and OPEB in the Government-wide statement of net position. A deferred inflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

At June 30, 2024 the Town also had items qualified as a deferred inflow of resources in the governmental funds balance sheet. The unavailable tax and sewer user charges were \$1,337,821 and \$187,924, respectively at June 30, 2024 represents receivables which are assessed on October 31, 2023 and prior and are not collected within 60 days of June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Interfund Transactions

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

Reciprocal interfund activities:

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

Non-reciprocal interfund activities:

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

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

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due from/to other funds” (current portion) or “advances from/to other funds” (noncurrent portion). All other outstanding balances between funds are reported as “due from/to other funds.”

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Position/Fund Balance

Government-wide Financial Statements

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

- (a) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings, and deferred inflows of resources, if any, that are attributable to the acquisition, construction, or improvement of those assets, increased by deferred outflows of resources related to those assets, if any.
- (b) Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- (c) Unrestricted net position – the remaining net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Governmental Fund Financial Statements

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

- Non-spendable – Amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash within one year.
- Restricted – Includes amounts that are restricted for specific purposes. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Position/Fund Balance (Continued)

Governmental Fund Financial Statements (Continued)

- Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Selectman, with the Board of Finance approval (the highest levels of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action.
- Assigned – Amounts are constrained by the Town’s intent to be used for specific purposes, but are not restricted or committed. Amounts may be constrained to be used for a specific purpose by a governing board or body or official (Town Finance Director) that has been delegated authority to assign amounts by the Town Charter and in accordance with the Town’s adopted Fund Balance Policy.
- Unassigned – Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

Net Position Flow Assumption

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

PENSIONS

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

OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

RECENTLY ISSUED ACCOUNTING STANDARDS

As discussed at Note 14, the Town implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*, which includes the disclosure of the correction of an error relating to Small Cities fund deferred revenue. There was no significant impact on these financial statements from the implementation of additional new accounting standards.

SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 23, 2025, which is the date these financial statements were available to be issued. There are no events requiring recognition or disclosure into these financial statements.

USE OF ESTIMATES

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

CASH DEPOSITS

A reconciliation of the Town’s cash and cash equivalents as of June 30, 2024 is as follows:

Government-wide statement of net position:

Cash and cash equivalents	\$ 19,848,091
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CASH DEPOSITS – CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the state of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio. At June 30, 2024 the Town was insured under the FDIC in the amount of \$1,314,392 with the remaining classified as follows:

Uninsured and uncollateralized	\$ 5,698,510
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>140,646</u>
	<u>\$ 5,839,156</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS

Interest Rate Risk

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

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

Investment Type	Credit Rating	Value	Investment Maturities (In Years)	
			Less Than 1	1-10
Interest bearing investments				
Certificates of deposit	N/A	\$ 50,156	\$ --	\$ 50,156
Other investments				
Guaranteed investment contracts	N/A	6,760,517		
Mutual funds - equity	Unrated	2,087,284		
Mutual funds - fixed	Unrated	2,252,758		
		<u>\$ 11,150,715</u>		

Credit Risk

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

Credit Risk (Continued)

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

Custodial Credit Risk

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

Concentrations of Credit Risk

The Town and Pension Fund has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments. Information regarding concentration of the investments that represent more than 5% of the investments in the Pension Fund is detailed in Note 10.

NOTE 3 – FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs).

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

The Town classifies its assets and liabilities measured at fair value into level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly, and Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Town’s financial assets that are accounted for at fair value on a recurring basis as of June 30, 2024, by level within the fair value hierarchy are presented in the table below:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Mutual funds - equity	\$ 2,087,284	\$ --	\$ --	\$ 2,087,284
Mutual funds - fixed	2,252,758	--	--	2,252,758
	4,340,042	\$ --	\$ --	\$ 4,340,042
Investment values at contract value:				
Guaranteed investment contracts	6,760,517			
Investment values at amortized costs:				
Certificates of deposit	50,156			
Total investments	\$ 11,150,715			

NOTE 4 – RECEIVABLES

LOANS RECEIVABLE

Loans receivable represents loans disbursed from Community Development Block Grants (CDBG) and Economic Development Committee proceeds. The loans are noninterest bearing and payment is due only a) in the event of default, which is upon the death of borrower, b) transfer of title of property or c) refinancing property-related debt. Loans receivable consist of the following as of June 30, 2024:

Loans receivable	\$	709,658
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TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 – CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2024 consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 6,740,855	\$ --	\$ --	\$ 6,740,855
Construction in progress	<u>1,543,234</u>	<u>2,788,659</u>	<u>(844,130)</u>	<u>3,487,763</u>
Total capital assets, not being depreciated	<u>8,284,089</u>	<u>2,788,659</u>	<u>(844,130)</u>	<u>10,228,618</u>
Capital assets, being depreciated:				
Buildings	72,681,002	--	--	72,681,002
Building improvements	19,825,666	296,272	--	20,121,938
Land improvement	6,712,443	375,000	--	7,087,443
Machinery and equipment	10,167,867	234,564	--	10,402,431
Vehicles	8,337,441	349,324	--	8,686,765
Infrastructure	<u>145,045,983</u>	<u>2,423,760</u>	<u>--</u>	<u>147,469,743</u>
Total capital assets, being depreciated	<u>262,770,402</u>	<u>3,678,920</u>	<u>--</u>	<u>266,449,322</u>
Less accumulated depreciation for:				
Buildings	(34,199,501)	(1,586,318)	--	(35,785,819)
Building improvements	(7,323,091)	(528,685)	--	(7,851,776)
Land improvement	(5,369,675)	(202,747)	--	(5,572,422)
Machinery and equipment	(5,559,828)	(575,563)	--	(6,135,391)
Vehicles	(5,153,098)	(311,127)	--	(5,464,225)
Infrastructure	<u>(43,706,909)</u>	<u>(2,298,568)</u>	<u>--</u>	<u>(46,005,477)</u>
Total accumulated depreciation	<u>(101,312,102)</u>	<u>(5,503,008)</u>	<u>--</u>	<u>(106,815,110)</u>
Total capital assets, being depreciated, net	<u>161,458,300</u>	<u>(1,824,088)</u>	<u>--</u>	<u>159,634,212</u>
Governmental activities capital assets, net	<u>\$ 169,742,389</u>	<u>\$ 964,571</u>	<u>\$ (844,130)</u>	<u>\$ 169,862,830</u>

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

Governmental Activities:

General government	\$ 125,159
Public safety	537,604
Public works	2,963,563
Health and safety	30,323
Library	23,876
Recreation	47,810
Education	1,728,189
Land use	<u>46,484</u>
Total depreciation expense - governmental activities	<u>\$ 5,503,008</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 6 – INTERFUND RECEIVABLES AND PAYABLE

Interfund receivable and payable balances at June 30, 2024 are as follows:

Funds	Due From	Due To
Governmental Funds		
General fund	\$ 2,445,068	\$ 2,934,938
Sewer operating fund	--	613,640
Nonmajor governmental funds	1,972,367	868,857
Total due from/to other funds	\$ 4,417,435	\$ 4,417,435

All interfund balances resulted 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.

NOTE 7 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2024 consisted of the following:

Funds	Transfer In	Transfer Out
Governmental Funds		
General Fund	\$ 400,310	\$ 1,467,784
Capital projects	35,000	--
Capital and nonrecurring	752,692	--
Nonmajor governmental funds	762,593	482,811
Total due from/to other funds	\$ 1,950,595	\$ 1,950,595

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 11,640,000	\$ 600,000	\$ (2,410,000)	\$ 9,830,000	\$ 2,110,000
Clean water notes	741,616	--	(56,559)	685,057	57,701
Unamortized bond premium	<u>285,786</u>	<u>--</u>	<u>(134,915)</u>	<u>150,871</u>	<u>--</u>
Total bonds and note payable	12,667,402	600,000	(2,601,474)	10,665,928	2,167,701
Other liabilities:					
Finance agreements	2,442,374	535,314	(424,306)	2,553,382	367,753
Compensated absences	1,183,972	304,688	(210,453)	1,278,207	127,821
Early retirement incentive	19,500	7,500	(8,250)	18,750	--
Landfill postclosure costs	212,500	--	(12,500)	200,000	--
Net pension liability	16,737,810	436,777	--	17,174,587	--
Total OPEB liability	<u>13,313,216</u>	<u>--</u>	<u>(466,724)</u>	<u>12,846,492</u>	<u>--</u>
Total governmental activities	<u>\$ 46,576,774</u>	<u>\$ 1,884,279</u>	<u>\$ (3,723,707)</u>	<u>\$ 44,737,346</u>	<u>\$ 2,663,275</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

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

BONDS AND NOTES PAYABLE

A summary of bonds and notes payable outstanding at June 30, 2024 is as follows:

Governmental Activities:

	Date of Issuance	Amount Issued	Interest Rate	Maturity Date	Balance Outstanding June 30, 2023	Additions	Retirements	Balance Outstanding June 30, 2024	Amounts Due Within One Year
General Obligation Bonds and Notes Payable:									
General purpose	7/19/12	\$ 7,150,000	2-4%	7/15/2024	\$ 1,180,000	\$ --	\$ 590,000	\$ 590,000	\$ 590,000
General purpose	8/30/13	3,000,000	2-3.25%	8/15/2025	750,000	--	250,000	500,000	250,000
Refunded school	4/22/14	778,000	2-5%	7/15/2023	89,000	--	89,000	--	--
General purpose	10/24/18	6,950,000	3-4%	10/15/2038	6,045,000	--	360,000	5,685,000	370,000
Refunded school	10/16/19	409,000	3-5%	12/15/2028	283,000	--	42,000	241,000	48,000
School	7/19/12	2,350,000	2-4%	7/15/2024	370,000	--	185,000	185,000	185,000
School	4/22/14	2,887,000	2-5%	7/15/2023	326,000	--	326,000	--	--
School	10/16/19	4,051,000	3-5%	12/15/2026	2,522,000	--	543,000	1,979,000	642,000
Sewer	8/30/13	500,000	2-3.25%	8/15/2025	75,000	--	25,000	50,000	25,000
Sewer	8/30/13	<u>500,000</u>	2-3.25%	8/15/2025	<u>--</u>	<u>600,000</u>	<u>--</u>	<u>600,000</u>	<u>--</u>
		28,575,000			11,640,000	600,000	2,410,000	9,830,000	2,110,000
Clean water notes payable	5/1/2016	<u>1,200,499</u>	2.00%	3/1/2035	<u>741,616</u>	<u>--</u>	<u>56,559</u>	<u>685,057</u>	<u>57,701</u>
Deferred bond premium					<u>285,786</u>	<u>--</u>	<u>134,915</u>	<u>150,871</u>	<u>--</u>
Total Governmental Activities Bonds and Notes Payable		<u>\$ 29,775,499</u>			<u>\$ 12,667,402</u>	<u>\$ 600,000</u>	<u>\$ 2,601,474</u>	<u>\$ 10,665,928</u>	<u>\$ 2,167,701</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

BONDS AND NOTES PAYABLE (CONTINUED)

Year Ending June 30,	Principal	Interest	Total
Bonds payable			
2025	\$ 2,110,000	\$ 350,031	\$ 2,460,031
2026	1,425,000	280,814	1,705,814
2027	1,160,000	225,875	1,385,875
2028	490,000	192,455	682,455
2029	485,000	176,360	661,360
2030-2034	2,200,000	610,875	2,810,875
2035-2039	<u>1,960,000</u>	<u>190,000</u>	<u>2,150,000</u>
	<u>\$ 9,830,000</u>	<u>\$ 2,026,410</u>	<u>\$ 11,856,410</u>

Legal Debit Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

Legal Debit Limit (Continued)

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

Total cash collections for the year ended

June 30, 2024:

Taxes	\$ 33,939,017
Interest and lien fees	<u>217,663</u>
Total	34,156,680

Reimbursement for revenue loss:

Tax relief (CGS 12-129d)	<u>--</u>
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Base	<u>\$ 34,156,680</u>
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	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 76,852,530	\$ --	\$ --	\$ --	\$ --
4-1/2 times base	--	153,705,060	--	--	--
3-3/4 times base	--	--	128,087,550	--	--
3-1/4 times base	--	--	--	111,009,210	--
3 times base	--	--	--	--	<u>102,470,040</u>
Total debt limitation	<u>76,852,530</u>	<u>153,705,060</u>	<u>128,087,550</u>	<u>111,009,210</u>	<u>102,470,040</u>
Indebtedness:					
Bonds and notes payable	6,775,000	2,405,000	650,000	--	--
Authorized, unissued bonds	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
	6,775,000	2,405,000	650,000	--	--
Debt limitation in excess of outstanding and authorized debt	<u>\$ 70,077,530</u>	<u>\$ 151,300,060</u>	<u>\$ 127,437,550</u>	<u>\$ 111,009,210</u>	<u>\$ 102,470,040</u>
Total capacity of borrowing (7 times base)	<u>\$ 239,096,760</u>				

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

NOTES PAYABLE

Future notes payable maturities as of June 30, 2024 are as follows:

Clean water notes payable

2025	\$ 57,701	\$ 13,174	\$ 70,875
2026	58,866	12,009	70,875
2027	60,054	10,821	70,875
2028	61,266	9,609	70,875
2029	62,502	8,373	70,875
2030-2034	331,798	22,426	354,224
2035	<u>52,870</u>	<u>2,455</u>	<u>55,325</u>
	<u>\$ 685,057</u>	<u>\$ 78,867</u>	<u>\$ 763,924</u>

FINANCE AGREEMENTS

Future minimum obligations and the net present value of these minimum lease payments as of June 30, 2024 are as follows:

	Governmental Activities
Year Ending June 30:	
2025	\$ 460,593
2026	459,593
2027	462,058
2028	431,787
2029	279,830
Thereafter	<u>857,412</u>
Present value of minimum lease payments	2,951,273
Less interest portion of payments	<u>(397,891)</u>
Principal value of lease payments	<u>\$ 2,553,382</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9 – FUND BALANCE

The various components of fund balance at June 30, 2024 are as follows:

	General Funds	Sewer Operating	ARPA Fund	Capital Projects	Capital and Nonrecurring	Nonmajor Governmental Funds	Totals
Nonspendable:							
Land held for resale	\$ --	\$ --	\$ --	\$ 525,781	\$ --	\$ --	\$ 525,781
Loan receivable	--	--	--	--	--	709,658	709,658
Permanent funds	--	--	--	--	--	1,309,388	1,309,388
Restricted for:							
Permanent funds	--	--	--	--	--	405,127	405,127
Public works	--	--	--	--	--	498,658	498,658
Education	--	--	--	--	--	1,147,954	1,147,954
Committed for:							
Debt service	--	--	--	--	--	430,475	430,475
Sewer and operating assessment	--	1,722,395	--	--	--	--	1,722,395
Capital projects	--	--	--	399,765	--	508,165	907,930
General government	--	--	--	--	--	131,808	131,808
Public works	--	--	--	--	--	912,614	912,614
Public safety	--	--	--	--	--	560,532	560,532
Recreation	--	--	--	--	--	252,853	252,853
Assigned to:							
General government	27,433	--	--	--	--	--	27,433
Education	622,786	--	--	--	--	--	622,786
Public safety	47,141	--	--	--	--	--	47,141
Public works	78,081	--	--	--	--	--	78,081
Library	659	--	--	--	--	--	659
Parks and recreation	4,457	--	--	--	--	--	4,457
Land use	2,072	--	--	--	--	--	2,072
Capital outlay	55,348	--	--	--	--	--	55,348
Unassigned	9,929,621	--	--	--	(198,047)	(248,388)	9,483,186
	<u>\$ 10,767,598</u>	<u>\$ 1,722,395</u>	<u>\$ --</u>	<u>\$ 925,546</u>	<u>\$ (198,047)</u>	<u>\$ 6,618,844</u>	<u>\$ 19,836,336</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9 – FUND BALANCE (CONTINUED)

At June 30, 2024, the following funds had a deficit (negative) fund balance or deficit net position, as applicable:

Governmental Funds:

Capital and nonrecurring	\$ 198,047 *
<i>Special revenue</i>	
Economic development	<u>248,388 *</u>
Total Capital Project Funds	<u>248,388</u>
Total Cumulative Deficits - Governmental Funds	<u><u>\$ 446,435</u></u>

* Deficit will be covered via an administrative plan

** Deficit will be covered via transfer of funds

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS

DEFINED BENEFIT PLAN – TOWN

Plan Description

Plan Administration – The Town administers two single-employer Public Employee Retirement Systems (PERS), contributory, defined benefit pension plans (Town Plan and Board of Education). Plan benefit and contribution requirements are established by plan documents as amended April 1, 1982, and approved by the Town Council. The Plans are considered to be part of the Town’s financial reporting entity and are included in the Town’s financial reports as Pension Trust Funds. The plans do not issue separate standalone financial reports.

Management of the pension plans is made up of a five-member board, which includes the Mayor, Director of Finance, Town Treasurer, Board of Education Business Manager and a Board of Finance member. In addition, there is a Town Council liaison assigned to the Board.

Plan Membership –

The Plans consisted of the following as of the date of the latest actuarial valuation of January 1, 2022:

	Town Plan	Board of Education
Terminated vested and other inactive	9	5
Retirees and beneficiaries	57	40
Active plan members	6	18
	<u>72</u>	<u>63</u>

Benefits Provided – The plans provide for retirement and disability income for all eligible employees. All employees who work at least 20 hours a week and have been hired before July 1, 2001 are eligible on their date of hire. The plans cover substantially all noncertified Board of Education employees and all regular Town employees except police personnel and elected officials. Effective July 1, 2009, Custodian and Central office employees no longer have the option to participate in this plan.

Contributions – The Town is required to contribute the cost of its participants as determined by actuarial calculations.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Summary of Significant Accounting Policies

Basis of Accounting – The Plans are accounted for using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the Plans. Liabilities are recorded when due and payable in accordance with the terms of the Plans. Administrative costs of the Plans are funded by the Plan.

Investments – Investments are reported at fair value, except for investments in participating interest earning investment contracts, recorded at amortized cost, and certain external investment pools, recorded at net asset value.

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

Concentrations – As of June 30, 2024, more than 5% of the Town’s Plan’s investments are invested in the following:

Issuer	Investment	Value	% of Plan Investments
Voya	Intermediate Bond Prt I	\$ 500,753	11.26%

Rate of return – For the year ended June 30, 2024 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 3.93%. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

The components of the net pension liability of the Town’s Plans as June 30, 2024 were as follows:

	Town Plan
Total pension liability	\$ 11,652,850
Plan fiduciary net position	<u>4,448,099</u>
Town's net pension liability - Town Plan	<u><u>\$ 7,204,751</u></u>

Plan fiduciary net position as a percentage of the total pension liability	38.17%
--	--------

	Board of Education
Total pension liability	\$ 8,481,022
Plan fiduciary net position	<u>4,968,760</u>
Town's net pension liability - BOE Plan	<u><u>\$ 3,512,262</u></u>

Plan fiduciary net position as a percentage of the total pension liability	58.59%
--	--------

Net Pension Liability

The components of the change in the net pension liability of the Town’s Plans for the year ended June 30, 2024, were as follows:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Town Plan	<u> </u>	<u> </u>	<u> </u>
Balance as of July 1, 2023	\$ 11,797,362	\$ 4,136,064	\$ 7,661,298
Changes for the year:			
Service cost	60,005	--	60,005
Interest	712,852	--	712,852
Contributions - employer	--	1,049,571	(1,049,571)
Contributions - employee	--	16,883	(16,883)
Net investment income	--	166,137	(166,137)
Benefit payments, including refunds	(917,369)	(917,369)	--
Administrative expense	--	(3,187)	3,187
Net changes	<u>(144,512)</u>	<u>312,035</u>	<u>(456,547)</u>
Balance as of June 30, 2024	<u><u>\$ 11,652,850</u></u>	<u><u>\$ 4,448,099</u></u>	<u><u>\$ 7,204,751</u></u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Net Pension Liability (Continued)

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Board of Education			
Balance as of July 1, 2023	\$ 8,354,506	\$ 4,952,450	\$ 3,402,056
Changes for the year:			
Service cost	137,337	--	137,337
Interest	514,570	--	514,570
Contributions - employer	--	336,017	(336,017)
Contributions - employee	--	18,955	(18,955)
Net investment income	--	190,381	(190,381)
Benefit payments, including refunds	(525,391)	(525,391)	--
Administrative expense	--	(3,652)	3,652
Net changes	<u>126,516</u>	<u>16,310</u>	<u>110,206</u>
Balance as of June 30, 2024	<u>\$ 8,481,022</u>	<u>\$ 4,968,760</u>	<u>\$ 3,512,262</u>

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of January 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases, including inflation	3.50%
Investment rate of return	6.25%
Discount rate	6.25%

PubG-2010 Mortality table with generational projection per the MP-2021 Ultimate Scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of June 30, 2024 are summarized in the following table:

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Net Pension Liability (Continued)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Core Fixed Income	2.48%	1.93%
US Short Treasury Bonds	2.76%	0.91%
US Interim Treasury Bonds	5.25%	1.13%
US Long Credit Bonds	72.43%	2.85%
US Short Corporate Bonds	0.55%	1.82%
US TIPS	1.11%	1.43%
Global Bonds	2.44%	0.49%
US Broad Equity Market	3.59%	3.90%
US Large & Mid Cap Growth Equity	2.24%	3.57%
US Large & Mid Cap Value Equity	3.30%	3.76%
US Mid Cap Equity	0.55%	3.95%
US Small Cap Equity	1.11%	4.54%
Non-US Small Cap Equity	0.80%	5.24%
Emerging Markets Equity	1.12%	6.18%
Commodities	0.27%	1.36%
	100.00%	

Discount Rate – The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Town’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

Net Pension Liability (Continued)

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Town, calculated using the discount rate of 6.25%, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%).

	1% Decrease 5.25%	Current Discount 6.25%	1% Increase 7.25%
Town's plan net pension liability	\$ 8,245,194	\$ 7,204,751	\$ 6,309,185
	1% Decrease 5.25%	Current Discount 6.25%	1% Increase 7.25%
Board of Education's plan net pension liability	\$ 4,411,205	\$ 3,512,262	\$ 2,745,781

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense related to the Town Plan of \$660,058 and pension expense related to the Board Plan of \$225,806. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to the Town Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Town Plan		
Differences between expected and actual experience	\$ --	\$ 340,979
Total	\$ --	\$ 340,979
	Deferred Outflows of Resources	Deferred Inflows of Resources
Board of Education		
Net difference between projected and actual earnings on pension plan investments	\$ --	\$ 396,959
Total	\$ --	\$ 396,959

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFINED BENEFIT PLAN – TOWN (CONTINUED)

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

Year ended June 30,	Town Plan
2025	\$ (140,318)
2026	(129,424)
2027	(51,891)
2028	(19,346)
	\$ (340,979)

Year ended June 30,	Board Plan
2025	\$ (163,912)
2026	(150,218)
2027	(60,041)
2028	(22,788)
	\$ (396,959)

Payable to the Town

The Town does not have a payable liability to the Town’s Plan as of June 30, 2024.

MUNICIPAL EMPLOYEES’ RETIREMENT SYSTEM

Plan Description

Plan Administration – All full-time employees participate in the Municipal Employees’ Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the state of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the state of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut’s financial reporting entity and is included in the State’s financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

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

Normal Retirement

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement – Service Connected

This applies to employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, who began employment prior to July 1, 1996, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Disability Retirement – Non-Service Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Pre-Retirement Death Benefit

The plan offers a lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.

Contributions –

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base. Effective July 1, 2019, member contribution rates are set to increase by 0.5% of compensation each year for six years.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member. The Town's required contribution rate for the year ended June 30, 2024, was 25.61 percent of annual payroll. Contributions to the pension plan from the Town were \$716,215 for the year ended June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Summary of Significant Accounting Policies

Basis of Accounting – The Plan is accounted for using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits, administration and refunds) are recognized when due and payable in accordance with the terms of the Plan. Liabilities are recorded when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are funded by the Plan.

Investments – Investments are reported at fair value, except for investments in participating interest earning investment contracts, recorded at amortized cost, and certain external investment pools, recorded at net asset value.

Investment Policy – Connecticut state statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The Pension Trust Funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

At June 30, 2024, the Town reports a liability of \$6,457,574 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2023. The actuarial assumptions used in the June 30, 2023 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2024, the Town's proportion was .42%.

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:

Inflation	2.50%
Salary increases, including inflation	3.5-9.5%
Investment rate of return	7.00%

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.

For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

The long-term expected rate of return on pension plan investment was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	37.00%	6.80%
Public Credit	2.00%	2.90%
Core Fixed Income	13.00%	0.40%
Liquidity Fund	1.00%	-0.40%
Risk Mitigation	5.00%	0.10%
Private Equity	15.00%	11.20%
Private Credit	10.00%	6.10%
Real Estate	10.00%	6.30%
Infrastructure & Natural Resources	7.00%	7.70%
	<u>100.00%</u>	

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – TOWN (CONTINUED)

Net Pension Liability (Continued)

Discount rate – The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%).

	1% Decrease 6.00%	Current Discount 7.00%	1% Increase 8.00%
Town's proportionate share of the State's total net pension liability	\$ 8,076,561	\$ 6,457,574	\$ 5,113,482

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense related to the Town Plan of \$840,864. At June 30, 2024, the Town reported deferred outflows and inflows of resources related to the Town Plan from the following sources:

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL EMPLOYEES’ RETIREMENT SYSTEM – TOWN (CONTINUED)

Net Pension Liability (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 479,690	\$ --
Changes in proportion and differences between employer contributions and proportionate share of contributions	237,972	258,741
Changes of assumptions	835,013	--
Differences between expected and actual experience	762,262	72,603
Contributions subsequent to measurement date	716,215	--
Total	\$ 3,031,152	\$ 331,344

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

Year ended June 30,	Town Plan
2025	\$ 506,182
2026	425,441
2027	756,278
2028	225,688
Thereafter	70,004
	\$ 1,983,593

Payable to the Town

The Town does not have a payable liability to the Plan as of June 30, 2024.

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

	Town Plan	Board Plan	MERS	Total
Deferred outflows	\$ --	\$ --	\$ 3,031,152	\$ 3,031,152
Deferred inflows	340,979	396,959	331,344	1,069,282
Net pension liability	7,204,751	3,512,262	6,457,574	17,174,587
Pension expense	660,058	225,806	840,864	1,726,728

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

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

Benefit Provisions

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Benefit Provisions (Continued)

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

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

Contributions

Per CGS 10-183z, contribution requirements of active employees and the State are amended and certified by the Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amounts to finance any unfunded accrued liability.

In accordance with CGS Section 10-183z, the Town does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute 100% of an employer's contribution on behalf of its participating municipalities at an actuarially determined rate. Effective January 1, 2018, active employees are required to contribute 7.0%, previously 6.0%, of their annual earnings to the plan.

Administrative Expenses

Administrative costs of the plan are funded by the State.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Basis of Presentation

The collective net pension liability, deferred outflows and inflows of resources, and pension expense for the TRS has been measured as of June 30, 2023 based on an actuarial valuation performed as of June 30, 2023. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of the June 30, 2023 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2023 and for reporting the proportionate share of the collective net pension liability that is attributed to the Town as of June 30, 2023. This liability is allocated entirely to the State of Connecticut.

Allocation Methodology

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

The components associated with the collective pension expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2023. The portion of the collective pension expense allocated to the Town totaled \$4,070,356. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2024.

The total collective net pension liability of participating employers for the TRS was approximately \$17.007 billion as of June 30, 2023 measurement date. The portion attributed to the Town totaled \$43,868,277 or approximately 0.258% of the total collective net pension liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

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:

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

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

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

Long-Term Rate of Return

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Long-Term Rate of Return (Continued)

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

Discount Rate

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Proportionate Share of the Collective Net Pension Liability

The following presents the proportionate share of the collective net pension liability attributed to the Town as of the June 30, 2023 measurement date, calculated using a discount rate of 6.90%, as well as what the proportionate share of the net pension liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease 5.90%	Current Discount 6.90%	1% Increase 7.90%
Town's proportionate share of the State's total net pension liability	\$ 65,166,350	\$ 52,103,428	\$ 41,258,521

DEFINED CONTRIBUTION PLAN

In July 2001, the Town adopted the Town of Plymouth Retirement Savings Plan, a defined contribution plan for all employees other than police and those whose collective bargaining unit opts out of plan participation. In a defined contribution plan, the benefits depend solely on amounts contributed to the plan plus investment earnings. As of June 30, 2023, there were 78 members in the plan. After six months of employment, all employees except as noted above are eligible to participate in the plan. Failure to enroll in the plan within thirty days of eligibility precludes an employee from joining the plan during the remainder of employment with the Town. Employees who are currently members of the town's defined benefit pension plan may opt to freeze their benefit in the former plan and elect to contribute to the retirement savings plan. The plan requires employees to contribute 3% of earnings and the Town to contribute 6%. For the fiscal year ended June 30, 2024, employee and employer contributions were \$112,837 and \$231,719, respectively. Town contributions along with the related earnings are fully vested after five years of continuous service. Town contribution vesting increases on 20% increasing scale from one to five years. Town contributions for, and interest forfeited by, employees who leave employment before five years of services are used to pay administrative expenses and/or utilized to reduce the Town's current contribution requirements. Pursuant to the administrative service agreement, Voya Financial Services administers the plan.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

TOWN PLAN

Plan Administration

The Town and Board of Education provide postretirement health care benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The postretirement health care benefits plan is a single-employer defined benefit plan. The Town does not issue stand-alone financial statements for this program. The OPEB plan is administered by the Town. Plan provisions are determined by union contract and may be amended by union negotiations.

The healthcare benefits payable to members for the Town plan are for members who are age 55 with 25 years of service or at age 62 or older who are eligible for benefits from the pension plan. The retirees will pay the Town's share of the co-payment when they retire and shall be eligible for single coverage only. The retiree has the option to purchase health insurance at 100% of the cost for their spouse upon retirement. At age 65, the Town provides health insurance coverage up to 75% of the cost of Connecticut Blue Cross Blue Shield for the eligible retirees once enrolled in Medicare A & B programs.

Benefits Provided

The Town plan provides for medical benefits for all eligible Board of Education retirees. Summary of benefits provided should be provided as follows: Benefit terms, including 1) classes of employees covered, 2) types of benefits, 3) key elements of OPEB formula, 4) terms or policies with respect to automatic benefit changes, including ad hoc cost of living adjustments (COLAs), and 5) legal authority.

Plan Membership

Membership of the OPEB Plan consisted of the following as of July 1, 2022, the date of the latest actuarial valuation:

Actives	218
Retirees	60
Spouses of retirees	19
Beneficiaries	3
Total members	<u>300</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TOWN PLAN (CONTINUED)

Net OPEB Liability

The Town's net OPEB liability reported as of June 30, 2024 totaled \$12,846,492. The net OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of January 1, 2023.

Actuarial assumptions – The total OPEB liability as of June 30, 2024 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.93%
Inflation rate	2.50%
Salary increases	3.50%
Healthcare cost trend rate	6.80% initial 3.90% final

Changes in Total OPEB Liability

Balance as of July 1, 2023	\$ 13,313,216
Changes for the year:	
Service cost	275,093
Interest	481,467
Changes assumptions	(421,256)
Benefit payments, including refunds	<u>(802,028)</u>
Net changes	<u>(466,724)</u>
Balance as of June 30, 2024	<u><u>\$ 12,846,492</u></u>

Discount rate – The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rates and that the Town's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on the OPEB Plan's investments were applied to all periods of projected benefit payments to determine the OPEB Plan's total OPEB liability.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TOWN PLAN (CONTINUED)

Changes in OPEB Liability (Continued)

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the Town’s net OPEB liability for the OPEB Plan, calculated using the discount rate disclosed above, as well as what the Town’s net OPEB liability would be for the OPEB Plan if it were calculated using the discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	Discount Rates		
	1% Decrease	Current	1% Increase
	2.93%	3.93%	4.93%
Total OPEB Liability	\$ 14,460,357	\$ 12,846,492	\$ 11,507,461

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the Town’s net OPEB liability for the OPEB Plan as well as what the Town’s net OPEB liability would be for the OPEB Plan if it were calculated using a health care trend rate that is 1-percentage-point lower (2.90%) or 1-percentage-point higher (4.90%) than the current rate:

	Healthcare Cost Trend Rates		
	1% Decrease	Current	1% Increase
	2.90%	3.90%	4.90%
Total OPEB Liability	\$ 11,182,455	\$ 12,846,492	\$ 14,899,875

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

TOWN PLAN (CONTINUED)

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2023, the Town recognized OPEB expense of \$34,960. At June 30, 2024, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 1,660,215	\$ 3,149,719
Differences between expected and actual experience	<u>896,939</u>	<u>1,988,351</u>
Total	<u>\$ 2,557,154</u>	<u>\$ 5,138,070</u>

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

Year Ended June 30,	
2025	\$ (657,254)
2026	(629,679)
2027	(467,465)
2028	(476,798)
2029	(430,328)
Thereafter	<u>80,608</u>
	<u>\$ (2,580,916)</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

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

Benefit Provisions

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Benefit Provisions (Continued)

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

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

Contributions

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

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

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

Administrative Expenses

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Basis of Presentation

The collective net OPEB liability, deferred outflows and inflows of resources, and OPEB expense for the TRS has been measured as of June 30, 2023 based on an actuarial valuation performed as of June 30, 2023. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of June 30, 2023 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2023 and for reporting the proportionate share of the collective net OPEB liability that is attributed to the Town as of June 30, 2023.

The components associated with the OPEB expense and deferred inflows and outflows of resources have been determined using the unrecognized portions of each year's experience and assumption changes for the year ended June 30, 2023.

Allocation Methodology

The schedule of allocations have been prepared to provide the total amount of employer contributions from the State and the proportionate share percentages that have been determined based on these contributions. Based on these percentages the proportionate share amounts of the net OPEB liability associated with each participating employer and the employer OPEB expense and revenue for State support for each participating employer for the year ending June 30, 2023.

The components associated with the collective OPEB expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2023. The portion of the collective OPEB expense allocated to the Town totaled \$55,390. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2024.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Allocation Methodology (Continued)

The total collective net OPEB liability of participating employers for the TRS was approximately \$1.604 billion as of the June 30, 2023 measurement date. The portion attributed to the Town totaled \$4,109,855 or approximately 0.258% of the total collective net OPEB liability.

Actuarial Assumptions

The total OPEB 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%
Real wage growth	0.50%
Wage inflation	3.00%
Salary increases	3.00%-6.50%, including inflation
Investment rate of return	3.00%, net of investment related expense
Discount rate	3.53%
Healthcare cost trend rates:	
Medicare	Known increases until calendar year 2024, then general trend decrease to an ultimate rate of 4.5% by 2031.

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

Long-Term Rate of Return

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Long-Term Rate of Return (Continued)

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. Treasuries (Cash Equivalents)	100.00%	0.77%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

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

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2024 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

CONNECTICUT STATE TEACHERS’ RETIREMENT SYSTEM (CONTINUED)

Proportionate Share of the Collective Net OPEB Liability

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2023 measurement date, calculated using a discount rate of 3.53%, as well as what the proportionate share of the net OPEB liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage-point lower (2.53%) or 1-percentage-point higher (3.53%) than the current rate:

	1% Decrease 2.53%	Current Discount 3.53%	1% Increase 4.53%
Town's proportionate share of the State's total net OPEB liability	\$ 3,366,332	\$ 4,109,855	\$ 3,403,002

Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates – The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2023 measurement date, calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates 3.50%	Current Trend Rates 4.50%	1% Increase in Trend Rates 5.50%
Town's proportionate share of the State's total net OPEB liability	\$ 3,357,592	\$ 4,109,855	\$ 5,149,303

NOTE 12 – RISK MANAGEMENT

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 13 – COMMITMENTS AND CONTINGENCIES

GRANTS AND CONTRACTS

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

LITIGATION

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

NOTE 14 – CORRECTION OF AN ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

During fiscal year 2024, the Town determined that the Small Cities fund deferred inflows were incorrectly classified and should have been recognized as earned in the year the loans were issued. Therefore, deferred inflows of resources were overstated and nonspendable fund balance was understated by \$729,033. The effect of correcting that error is shown in the table below:

Reporting Unit Affected by Resatement of Beginning Balances			
Nonmajor - Small Cities Fund			
	Balance reported as of 6/30/2023	Restatement	Restated balance as of 6/30/2023
Loan receivables	\$ 729,033	\$ --	\$ 729,033
Deferred inflows of Resources			
Unavailable revenues	729,033	(729,033)	--
Fund Balance			
Nonspendable	--	729,033	729,033
Restricted	266,761	--	266,761
Total Fund Balance	<u>\$ 266,761</u>	<u>\$ 729,033</u>	<u>\$ 995,794</u>

TOWN OF PLYMOUTH, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Property Taxes				
Current taxes	\$ 32,511,858	\$ 32,511,858	\$ 32,430,620	\$ (81,238)
Supplemental motor vehicle tax	410,000	410,000	365,710	(44,290)
Prior year taxes	450,000	450,000	577,780	127,780
Interest and lien fees	250,000	250,000	217,663	(32,337)
PILOT - retirement community	17,500	17,500	19,533	2,033
PILOT - housing authority	5,000	5,000	--	(5,000)
PILOT - telephone access	18,073	18,073	25,686	7,613
Total Property Taxes	<u>33,662,431</u>	<u>33,662,431</u>	<u>33,636,992</u>	<u>(25,439)</u>
Intergovernmental				
PILOT - state property	7,721	7,721	--	(7,721)
PILOT - federal	--	--	10,463	10,463
Motor vehicle property tax grant	554,172	554,172	554,172	--
Veteran's grant	6,660	6,660	5,437	(1,223)
Disability exemption	2,500	2,500	2,880	380
ECS grant	9,700,783	9,700,783	9,810,839	110,056
Adult education	9,150	9,150	10,097	947
Penquot PILOT	33,955	33,955	32,955	(1,000)
Dial a ride	19,287	19,287	19,287	--
State grants - miscellaneous	--	--	322,022	322,022
Recreation - grants	--	--	65,579	65,579
Total Intergovernmental Revenues	<u>10,334,228</u>	<u>10,334,228</u>	<u>10,833,731</u>	<u>499,503</u>
Charges For Services				
Recording fees	80,000	80,000	--	(80,000)
Conveyance tax / blight fees	120,500	120,500	135,692	15,192
Vital statistics	12,000	12,000	15,471	3,471
Miscellaneous town clerk	18,000	18,000	35,809	17,809
Land use system fees	1,500	1,500	--	(1,500)
Zoning board of appeals	1,000	1,000	1,010	10
Fire marshal	1,000	1,000	575	(425)
Fire hawk program	250	250	290	40
Insurance reports	1,000	1,000	1,457	457
Hancock dam control	13,000	13,000	20,088	7,088
Recreation facility rental	1,500	1,500	1,485	(15)
Recreational - other	--	--	57,090	57,090
Recreation programs	101,000	101,000	253,823	152,823
Miscellaneous public works / metal reimbursement	22,500	22,500	35,903	13,403
Conservation commission	5,000	5,000	660	(4,340)
Permit application fees	1,000	1,000	--	(1,000)
Aircraft registrations	450	450	270	(180)
Public hearings	1,500	1,500	1,720	220
Sub-division hearings	1,000	1,000	--	(1,000)
Total Charges For Services	<u>382,200</u>	<u>382,200</u>	<u>561,343</u>	<u>179,143</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Licenses and Permits				
Zoning permits	\$ 6,000	\$ 6,000	\$ 6,605	\$ 605
Transfer station permits	12,500	12,500	16,619	4,119
ROW permits	1,250	1,250	4,170	2,920
Gun permits	10,000	10,000	12,195	2,195
Structural permits	70,000	70,000	116,279	46,279
Electrical permits	20,000	20,000	22,970	2,970
Demolition permits	2,000	2,000	3,360	1,360
Plumbing permits	3,000	3,000	4,800	1,800
Heating permits	12,000	12,000	15,530	3,530
Total Licenses and Permits	<u>136,750</u>	<u>136,750</u>	<u>202,528</u>	<u>65,778</u>
Fines				
Parking tickets and alarm fines	150	150	5,663	5,513
Library	--	--	27	27
Total Fines	<u>150</u>	<u>150</u>	<u>5,690</u>	<u>5,540</u>
Other				
WPCA insurance reimbursement	65,000	65,000	69,700	4,700
Total Other	<u>65,000</u>	<u>65,000</u>	<u>69,700</u>	<u>4,700</u>
Investment - Interest	<u>15,000</u>	<u>15,000</u>	<u>288,736</u>	<u>273,736</u>
Total Revenues	<u>44,595,759</u>	<u>44,595,759</u>	<u>45,598,720</u>	<u>1,002,961</u>
Other Financing Sources				
Transfers in	--	--	400,310	400,310
Total Other Financing Sources	<u>--</u>	<u>--</u>	<u>400,310</u>	<u>400,310</u>
Total Revenues and Other Financing Sources	<u>\$ 44,595,759</u>	<u>\$ 44,595,759</u>	<u>\$ 45,999,030</u>	<u>\$ 1,403,271</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget (Over) Under
General Government				
Mayor	\$ 171,302	\$ 171,302	\$ 172,836	\$ (1,534)
Town Council	--	--	5,015	(5,015)
Human Resource	45,000	45,000	50,625	(5,625)
Comptroller	386,750	386,750	319,171	67,579
Central Office	159,978	159,978	264,483	(104,505)
Treasurer	3,600	3,600	3,600	--
Registrar	74,080	74,080	58,074	16,006
Clerical Office Staff	151,123	151,123	136,943	14,180
Board of Finance	146,700	146,700	91,890	54,810
Assessors	107,500	107,500	77,138	30,362
Board of Assessment Appeals	1,800	1,800	407	1,393
Tax Collector	89,140	89,140	90,056	(916)
Legal Services	98,500	98,500	104,305	(5,805)
Property and Casualty Insurance	1,316,119	1,316,119	1,287,314	28,805
Employee benefits	3,538,241	3,538,241	3,201,096	337,145
Town clerk	134,800	134,800	129,727	5,073
Probate court	8,155	8,155	8,155	--
Special services	11,700	11,700	4,106	7,594
Total General Government	6,444,488	6,444,488	6,004,941	439,547
Public Safety				
Fire marshal	89,152	89,152	89,761	(609)
Police department	3,373,998	3,373,998	3,360,278	13,720
Emergency management	50,910	50,910	31,395	19,515
Fire department	365,750	365,750	348,476	17,274
Total Public Safety	3,879,810	3,879,810	3,829,910	49,900
Health and Welfare				
Human services commission	67,017	67,017	74,143	(7,126)
Public health	64,707	64,707	64,707	--
Ambulance corps	62,350	62,350	66,755	(4,405)
Public health - dial a ride	35,000	35,000	40,560	(5,560)
Total Health and Welfare	229,074	229,074	246,165	(17,091)
Public Works				
Facilities	236,875	236,875	230,286	6,589
Snow removal	330,250	330,250	277,399	52,851
Highway department	833,708	833,708	686,272	147,436
Transfer station	690,451	690,451	663,305	27,146
Public works director	102,700	102,700	95,487	7,213
Maintenance garage	520,200	520,200	502,330	17,870
Utilities - hydrants and streetlights	509,000	509,000	527,059	(18,059)
Other public buildings	192,500	192,500	199,144	(6,644)
Building inspector	80,904	80,904	80,509	395
Total Public Works	3,496,588	3,496,588	3,261,791	234,797

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

TOWN OF PLYMOUTH, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget (Over) Under
Land Use				
Planning and zoning	161,227	161,227	156,935	4,292
Zoning board of appeals	2,250	2,250	1,487	763
Conservation commission	4,400	4,400	2,264	2,136
Economic development	34,960	34,960	28,401	6,559
Historic properties	3,000	3,000	1,150	1,850
Total Land Use	<u>205,837</u>	<u>205,837</u>	<u>190,237</u>	<u>15,600</u>
Terryville Library	<u>484,239</u>	<u>484,239</u>	<u>483,193</u>	<u>1,046</u>
Parks and Recreation	<u>211,350</u>	<u>211,350</u>	<u>288,545</u>	<u>(77,195)</u>
Education	<u>25,827,235</u>	<u>25,827,235</u>	<u>25,897,885</u>	<u>(70,650)</u>
Debt Service	<u>3,255,690</u>	<u>3,255,690</u>	<u>3,261,812</u>	<u>(6,122)</u>
Total Expenditures	<u>44,034,311</u>	<u>44,034,311</u>	<u>43,464,479</u>	<u>569,832</u>
Other Financing Uses				
Transfers out:				
Capital and nonrecurring	460,448	460,448	792,942	(332,494)
Recreation revolving fund	101,000	101,000	674,842	(573,842)
Total Other Financing Uses	<u>561,448</u>	<u>561,448</u>	<u>1,467,784</u>	<u>(906,336)</u>
Total Expenditures and Uses	<u>44,595,759</u>	<u>44,595,759</u>	<u>44,932,263</u>	<u>(336,504)</u>
Excess (Deficiency) of Revenues				
Over Expenditures - Budgetary	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,066,767</u>	<u>\$ 1,066,767</u>

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

TOWN OF PLYMOUTH, CONNECTICUT

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

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of net pension liability attributed to the Town	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%
Town's proportionate share of the net pension liability	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
State's proportionate share of the net pension liability attributed to the Town	<u>43,868,277</u>	<u>46,691,559</u>	<u>38,071,822</u>	<u>48,069,968</u>	<u>41,935,227</u>	<u>32,334,497</u>	<u>35,923,636</u>	<u>37,889,711</u>	<u>31,111,382</u>	<u>28,756,238</u>
Total	<u>\$ 43,868,277</u>	<u>\$ 46,691,559</u>	<u>\$ 38,071,822</u>	<u>\$ 48,069,968</u>	<u>\$ 41,935,227</u>	<u>\$ 32,334,497</u>	<u>\$ 35,923,636</u>	<u>\$ 37,889,711</u>	<u>\$ 31,111,382</u>	<u>\$ 28,756,238</u>
Town's covered payroll	\$ 12,190,348	\$ 11,835,289	\$ 11,856,849	\$ 10,553,667	\$ 10,896,793	\$ 10,553,667	\$ 10,219,392	\$ 10,367,890	\$ 10,781,038	\$ 9,810,595
Town's proportionate share of the net pension liability as a percentage of its covered payroll	27.79%	25.35%	31.14%	21.95%	25.98%	32.64%	28.45%	27.36%	34.65%	34.12%
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%

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

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TOWN PENSION PLAN

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 60,005	\$ 57,958	\$ 63,387	\$ 58,624	\$ 73,472	\$ 74,251	\$ 114,084	\$ 98,404	\$ 115,976	\$ 98,673
Interest	712,852	706,412	720,304	733,469	749,589	729,721	694,335	723,989	732,516	767,685
Differences between expected and actual experience	--	349,188	--	(602,507)	--	400,227	--	(494,442)	--	628,618
Changes of assumptions	--	(64,181)	--	632,524	--	(215,414)	(976,609)	(242,319)	682,826	84,414
Benefit payments, including refunds	(917,369)	(978,497)	(1,021,907)	(1,052,607)	(1,079,311)	(1,034,011)	(1,031,860)	(1,015,886)	(981,480)	(982,385)
Net change in total pension liability	(144,512)	70,880	(238,216)	(230,497)	(256,250)	(45,226)	(1,200,050)	(930,254)	549,838	597,005
Total pension liability - beginning	<u>11,797,362</u>	<u>11,726,482</u>	<u>11,964,698</u>	<u>12,195,195</u>	<u>12,451,445</u>	<u>12,496,671</u>	<u>13,696,721</u>	<u>14,626,975</u>	<u>14,077,137</u>	<u>13,480,132</u>
Total pension liability - ending	<u>11,652,850</u>	<u>11,797,362</u>	<u>11,726,482</u>	<u>11,964,698</u>	<u>12,195,195</u>	<u>12,451,445</u>	<u>12,496,671</u>	<u>13,696,721</u>	<u>14,626,975</u>	<u>14,077,137</u>
Plan Fiduciary Net Position										
Contributions - employer	1,049,571	463,675	1,471,838	852,991	905,871	895,388	896,925	535,642	506,258	427,558
Contributions - members	16,883	18,400	19,688	22,009	24,129	28,812	28,792	33,819	36,739	38,924
Net Investment Income	166,137	104,911	(112,020)	199,618	139,000	173,650	112,123	113,085	145,026	143,751
Benefit payments, including refunds	(917,369)	(978,497)	(1,021,907)	(1,052,607)	(1,079,311)	(1,034,011)	(1,031,860)	(1,015,886)	(981,480)	(982,385)
Administrative expense	(3,187)	(3,561)	(3,407)	(3,341)	(2,026)	(2,041)	(1,855)	(1,782)	(2,036)	(2,850)
Net change in plan fiduciary net position	312,035	(395,072)	354,192	18,670	(12,337)	61,798	4,125	(335,122)	(295,493)	(375,002)
Plan fiduciary net position - beginning	<u>4,136,064</u>	<u>4,531,136</u>	<u>4,176,944</u>	<u>4,158,274</u>	<u>4,170,611</u>	<u>4,108,813</u>	<u>4,104,688</u>	<u>4,439,810</u>	<u>4,735,303</u>	<u>5,110,305</u>
Plan fiduciary net position - ending	<u>4,448,099</u>	<u>4,136,064</u>	<u>4,531,136</u>	<u>4,176,944</u>	<u>4,158,274</u>	<u>4,170,611</u>	<u>4,108,813</u>	<u>4,104,688</u>	<u>4,439,810</u>	<u>4,735,303</u>
Town's Net Pension Liability	<u>\$ 7,204,751</u>	<u>\$ 7,661,298</u>	<u>\$ 7,195,346</u>	<u>\$ 7,787,754</u>	<u>\$ 8,036,921</u>	<u>\$ 8,280,834</u>	<u>\$ 8,387,858</u>	<u>\$ 9,592,033</u>	<u>\$ 10,187,165</u>	<u>\$ 9,341,834</u>
Plan fiduciary net position as a percentage of total pension liability	38.17%	35.06%	38.64%	34.91%	34.10%	33.49%	32.88%	29.97%	30.35%	33.64%
Covered Payroll	\$ 482,746	\$ 478,484	\$ 478,484	\$ 478,484	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601
Town's net pension liability as a percentage of covered payroll	1492.45%	1601.16%	1503.78%	1627.59%	1330.08%	1370.45%	1200.60%	1372.96%	1238.41%	1135.65%

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

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS TOWN PENSION PLAN

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 881,460	\$ 837,263	\$ 837,263	\$ 772,087	\$ 772,087	\$ 697,840	\$ 697,840	\$ 655,422	\$ 655,422	\$ 489,090
Contributions in relation to the actuarially determined contribution	<u>1,049,571</u>	<u>463,675</u>	<u>1,471,838</u>	<u>852,991</u>	<u>905,871</u>	<u>895,388</u>	<u>896,925</u>	<u>535,642</u>	<u>506,258</u>	<u>427,558</u>
Contribution deficiency	<u>\$ (168,111)</u>	<u>\$ 373,588</u>	<u>\$ (634,575)</u>	<u>\$ (80,904)</u>	<u>\$ (133,784)</u>	<u>\$ (197,548)</u>	<u>\$ (199,085)</u>	<u>\$ 119,780</u>	<u>\$ 149,164</u>	<u>\$ 61,532</u>
Covered employee payroll	\$ 482,746	\$ 478,484	\$ 478,484	\$ 478,484	\$ 604,243	\$ 604,243	\$ 698,640	\$ 698,640	\$ 822,601	\$ 822,601
Contributions as a percentage of covered employee payroll	217.42%	96.91%	307.60%	178.27%	149.92%	148.18%	128.38%	76.67%	61.54%	51.98%
Annual money-weighted rate of return, net of investment expense	3.93%	2.48%	-2.56%	4.91%	3.46%	4.38%	2.83%	270.00%	3.24%	2.98%

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

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS BOARD OF EDUCATION PENSION PLAN

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 137,337	\$ 132,690	\$ 171,621	\$ 156,690	\$ 152,735	\$ 147,570	\$ 189,081	\$ 164,406	\$ 188,475	\$ 177,388
Interest	514,570	544,196	534,716	499,120	489,364	474,580	467,016	447,670	435,979	422,826
Differences between expected and actual experience	--	(596,078)	--	(121,403)	--	112,537	--	159,905	--	(73,776)
Changes of assumptions	--	(33,602)	--	515,964	--	--	--	(36,238)	--	666,442
Benefit payments, including refunds	(525,391)	(526,310)	(505,476)	(486,341)	(493,426)	(512,946)	(474,749)	(427,733)	(399,341)	(402,323)
Net change in total pension liability	126,516	(479,104)	200,861	564,030	148,673	221,741	181,348	308,010	225,113	790,557
Total pension liability - beginning	<u>8,354,506</u>	<u>8,833,610</u>	<u>8,632,749</u>	<u>8,068,719</u>	<u>7,920,046</u>	<u>7,698,305</u>	<u>7,516,957</u>	<u>7,208,947</u>	<u>6,983,834</u>	<u>6,193,277</u>
Total pension liability - ending	<u>8,481,022</u>	<u>8,354,506</u>	<u>8,833,610</u>	<u>8,632,749</u>	<u>8,068,719</u>	<u>7,920,046</u>	<u>7,698,305</u>	<u>7,516,957</u>	<u>7,208,947</u>	<u>6,983,834</u>
Plan Fiduciary Net Position										
Contributions - employer	336,017	407,740	336,017	336,017	486,017	381,220	336,017	343,169	308,169	193,702
Contributions - members	18,955	20,742	22,123	27,007	25,864	25,523	27,530	29,976	30,817	31,568
Net investment income	190,381	118,496	(129,923)	246,157	168,456	209,094	133,118	125,188	147,602	135,703
Benefit payments, including refunds	(525,391)	(526,310)	(505,476)	(486,341)	(493,426)	(512,946)	(474,749)	(427,733)	(399,341)	(402,323)
Administrative expense	(3,652)	(4,023)	(3,952)	(4,119)	(2,455)	(2,458)	(2,203)	(1,972)	(2,072)	(1,167)
Net change in plan fiduciary net position	16,310	16,645	(281,211)	118,721	184,456	100,433	19,713	68,628	85,175	(42,517)
Plan fiduciary net position - beginning	<u>4,952,450</u>	<u>4,935,805</u>	<u>5,217,016</u>	<u>5,098,295</u>	<u>4,913,839</u>	<u>4,813,406</u>	<u>4,793,693</u>	<u>4,725,065</u>	<u>4,639,890</u>	<u>4,682,407</u>
Plan fiduciary net position - ending	<u>4,968,760</u>	<u>4,952,450</u>	<u>4,935,805</u>	<u>5,217,016</u>	<u>5,098,295</u>	<u>4,913,839</u>	<u>4,813,406</u>	<u>4,793,693</u>	<u>4,725,065</u>	<u>4,639,890</u>
Town's Net Pension Liability	<u>\$ 3,512,262</u>	<u>\$ 3,402,056</u>	<u>\$ 3,897,805</u>	<u>\$ 3,415,733</u>	<u>\$ 2,970,424</u>	<u>\$ 3,006,207</u>	<u>\$ 2,884,899</u>	<u>\$ 2,723,264</u>	<u>\$ 2,483,882</u>	<u>\$ 2,343,944</u>
Plan fiduciary net position as a percentage of total pension liability	58.59%	59.28%	55.88%	60.43%	63.19%	62.04%	62.53%	63.77%	65.54%	66.44%
Covered Payroll	\$ 870,151	\$ 1,072,445	\$ 1,072,445	\$ 1,072,445	\$ 1,013,992	\$ 1,013,992	\$ 1,248,150	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909
Town's net pension liability as a percentage of covered payroll	403.64%	317.22%	363.45%	318.50%	292.94%	296.47%	231.13%	218.18%	189.48%	178.80%

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

TOWN OF PLYMOUTH, CONNECTICUT

**SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS
BOARD OF EDUCATION PENSION PLAN**

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 400,722	\$ 409,938	\$ 409,938	\$ 338,430	\$ 338,430	\$ 336,017	\$ 336,017	\$ 293,169	\$ 293,169	\$ 245,080
Contributions in relation to the actuarially determined contribution	<u>336,017</u>	<u>407,740</u>	<u>336,017</u>	<u>336,017</u>	<u>486,017</u>	<u>381,220</u>	<u>336,017</u>	<u>343,169</u>	<u>308,169</u>	<u>193,702</u>
Contribution deficiency	<u>\$ 64,705</u>	<u>\$ 2,198</u>	<u>\$ 73,921</u>	<u>\$ 2,413</u>	<u>\$ (147,587)</u>	<u>\$ (45,203)</u>	<u>\$ --</u>	<u>\$ (50,000)</u>	<u>\$ (15,000)</u>	<u>\$ 51,378</u>
Covered employee payroll	\$ 870,151	\$ 1,072,445	\$ 1,072,445	\$ 1,072,445	\$ 1,013,992	\$ 1,013,992	\$ 1,248,150	\$ 1,248,150	\$ 1,310,909	\$ 1,310,909
Contributions as a percentage of covered employee payroll	38.62%	38.02%	31.33%	31.33%	47.93%	37.60%	26.92%	27.49%	23.51%	14.78%
Annual money-weighted rate of return, net of investment expense	3.93%	2.48%	-2.56%	4.91%	3.46%	4.38%	2.83%	270.00%	3.24%	2.98%

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

TOWN OF PLYMOUTH, CONNECTICUT

SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of net pension liability attributed to the Town	0.420%	0.420%	0.420%	0.420%	0.350%	0.250%	0.850%	0.740%	0.900%	1.300%
Town's proportionate share of the net pension liability	\$ 6,457,574	\$ 5,674,456	\$ 3,000,626	\$ 4,641,104	\$ 4,068,038	\$ 3,511,701	\$ 2,117,489	\$ 2,475,886	\$ 1,726,911	\$ 1,276,975
Town's covered payroll	\$ 2,796,772	\$ 2,715,313	\$ 2,542,505	\$ 2,350,505	\$ 2,451,816	\$ 2,436,144	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852	\$ 2,153,852
Town's proportionate share of the net pension liability as a percentage of its covered payroll	230.89%	208.98%	118.02%	197.45%	165.92%	144.15%	89.09%	98.86%	80.18%	59.29%
Plan fiduciary net position as a percentage of the total pension liability	69.54%	68.71%	82.59%	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

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

TOWN OF PLYMOUTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 716,215	\$ 854,962	\$ 667,643	\$ 670,496	\$ 577,582	\$ 480,537	\$ 521,967	\$ 459,067	\$ 332,951	\$ 443,277
Contributions in relation to the actuarially determined contribution	<u>716,215</u>	<u>854,962</u>	<u>667,643</u>	<u>670,496</u>	<u>577,582</u>	<u>480,537</u>	<u>521,967</u>	<u>459,067</u>	<u>332,951</u>	<u>443,277</u>
Contribution deficiency	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Covered employee payroll	\$ 2,796,772	\$ 2,715,313	\$ 2,542,505	\$ 2,350,505	\$ 2,451,816	\$ 2,436,144	\$ 2,376,745	\$ 2,504,545	\$ 2,153,852	\$ 2,153,852
Contributions as a percentage of covered employee payroll	25.61%	31.49%	26.26%	28.53%	23.56%	19.73%	21.96%	18.33%	15.46%	20.58%

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

TOWN OF PLYMOUTH, CONNECTICUT

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

LAST SEVEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 275,093	\$ 293,026	\$ 370,648	\$ 340,745	\$ 275,840	\$ 443,847	\$ 518,079
Interest	481,467	440,021	321,474	373,723	511,253	703,558	664,878
Changes in benefit terms	--	(14,900)	--	--	--	--	--
Differences between expected and actual experience	--	1,149,597	--	(3,620,631)	--	(45,770)	--
Changes of assumptions	(421,256)	(294,467)	(2,301,397)	1,576,047	2,230,112	(3,683,969)	(671,022)
Benefit payments, including refunds	(802,028)	(787,171)	(748,073)	(706,658)	(847,450)	(796,716)	(863,119)
Net change in total OPEB liability	(466,724)	786,106	(2,357,348)	(2,036,774)	2,169,755	(3,379,050)	(351,184)
Total OPEB liability - beginning	<u>13,313,216</u>	<u>12,527,110</u>	<u>14,884,458</u>	<u>16,921,232</u>	<u>14,751,477</u>	<u>18,130,527</u>	<u>18,481,711</u>
Total OPEB liability - ending	<u>\$ 12,846,492</u>	<u>\$ 13,313,216</u>	<u>\$ 12,527,110</u>	<u>\$ 14,884,458</u>	<u>\$ 16,921,232</u>	<u>\$ 14,751,477</u>	<u>\$ 18,130,527</u>
Covered payroll	\$ 14,572,922	\$ 14,572,922	\$ 14,938,812	\$ 14,938,812	\$ 12,233,133	\$ 12,233,133	\$ 14,782,465
Town's net OPEB liability as a percentage of covered payroll	88.15%	91.36%	83.86%	99.64%	138.32%	120.59%	122.65%

This Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

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

TOWN OF PLYMOUTH, CONNECTICUT

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

LAST SEVEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018
Proportion of the net OPEB liability attributed to the Town	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%	0.258%
Town's proportionate share of the net OPEB liability	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
State's proportionate share of the net OPEB liability attributed to the Town	<u>4,109,855</u>	<u>4,089,110</u>	<u>4,147,855</u>	<u>7,169,637</u>	<u>6,540,035</u>	<u>6,463,879</u>	<u>6,463,879</u>
Total	<u>\$ 4,109,855</u>	<u>\$ 4,089,110</u>	<u>\$ 4,147,855</u>	<u>\$ 7,169,637</u>	<u>\$ 6,540,035</u>	<u>\$ 6,463,879</u>	<u>\$ 6,463,879</u>
Town's covered payroll	\$ 12,190,348	\$ 11,835,289	\$ 11,856,849	\$ 10,553,667	\$ 10,896,793	\$ 10,553,667	\$ 10,219,392
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.49%

This Schedule is intended to present information for 10 years, additional years will be displayed as they become available.

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

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

This budget is adopted on a basis consistent with General Accepted Accounting Principles (modified accrual basis) with the following exceptions: 1. The town does not recognize as income or expenditures payments made for the teacher's retirement by the State of Connecticut on the Town's behalf; 2. Revenues and expenditures from capital leasing and for renewing long-term debt are included in the budget as the net revenue or expenditure expected; 3. Encumbrances are treated as expenditures against the budget in the year committed; 4. Payroll is budgeted on a cash basis; 5. Revenues and expenditures from consolidated fund activities are not included in the general Fund budget.

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP basis). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2024:

Deficiency of Expenses and Other Financing Uses Over Revenues and Other Financing Sources - Budgetary Basis	\$ 1,066,767
On-behalf state OPEB contribution - revenue	55,390
On-behalf state OPEB contribution - expenditures	(55,390)
On-behalf state pension contribution - revenue	4,070,356
On-behalf state pension contribution - expenditures	<u>(4,070,356)</u>
Deficiency of Expenses and Other Financing Uses Over Revenues and Other Financing Sources - GAAP Basis	<u>\$ 1,066,767</u>

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

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

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

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2022. This information is utilized by the Town for reporting as of June 30, 2023.

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

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

NOTE 3 – SCHEDULE OF THE TOWN’S NET PENSION LIABILITY – TOWN EMPLOYEE AND BOARD OF EDUCATION RETIREMENT PLAN S

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 3 – SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS – TOWN EMPLOYEE RETIREMENT PLAN (CONTINUED)

Actuarial determined contribution rates are calculated as of July 1, two fiscal years prior to the fiscal year in which contributions are reported. Actuarial contributions for fiscal year ending June 30, 2024 were determined from the July 1, 2022 valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level Percentage of Salary
Asset valuation method	Market Value
Inflation	2.50%
Investment rate of return	3.00%
Salary increases	3.0 - 6.5%

NOTE 4 – SCHEDULE OF THE TOWN’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

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

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2022. This information is utilized by the Town for reporting as of June 30, 2023.

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

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

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

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

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

TOWN OF PLYMOUTH, CONNECTICUT

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2024

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

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

The July 1, 2022 actuarial valuation directly calculated the June 30, 2024 total OPEB liability. The June 30, 2024 total OPEB liability was increased by service cost and interest and decreased by benefit payments to estimate the total OPEB liability as of June 30, 2024.

The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2024:

Actuarial cost method	Entry Age
Amortization method	Level percentage of Salary
Asset valuation method	Market Value
Inflation	2.50%
Discount rate	3.93%
Healthcare cost trend rates	6.80%, current 3.90%, final

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

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

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2023. This information is utilized by the Town for reporting as of June 30, 2024.

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

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

Appendix B

Form of Opinion of Bond Counsel

[FORM OF OPINION OF BOND COUNSEL]

May ___, 2026

Town of Plymouth,
 Plymouth, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Town of Plymouth, Connecticut (the “Town”), a Tax Regulatory Agreement of the Town, dated May ___, 2026 (the “Tax Regulatory Agreement”), and other proofs submitted to us relative to the issuance and sale of \$3,000,000 Town of Plymouth, Connecticut General Obligation Bonds, Issue of 2026, dated May ___, 2026 (the “Bonds”), maturing on May 15 in each of the years, in the principal amounts and bearing interest payable on November 15, 2026 and semiannually thereafter on May 15 and November 15 in each year until maturity or earlier redemption, at the rates per annum as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2028	\$300,000	[]%	2033	\$300,000	[]%
2029	300,000	[]	2034	300,000	[]
2030	300,000	[]	2035	300,000	[]
2031	300,000	[]	2036	300,000	[]
2032	300,000	[]	2037	300,000	[]

with principal payable at the principal office of U.S. Bank Trust Company, National Association, in Hartford, Connecticut, and with interest payable to the registered owner as of the close of business on the last business day of April and October in each year, by check mailed to such registered owner at the address as shown on the registration books of the Town kept for such purpose. The Bonds are subject to redemption prior to maturity as therein provided.

The Bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), to effect a book-entry system for the ownership and transfer of the Bonds. So long as DTC or its nominee is the registered owner, principal and interest payments on the Bonds will be made to DTC.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and we express no opinion relating thereto, excepting only the matters set forth as our opinion in the Official Statement.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds under authority of the Constitution and General Statutes of Connecticut and that the Bonds are a valid general obligation of the Town the principal of and interest on which is payable 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. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, however, such interest is taken into account in determining the adjusted financial statement income of certain corporations for the purpose of computing the federal alternative minimum tax imposed on such corporations. We express no opinion regarding any other federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the Bonds.

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

We are further of the opinion that, under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excludable 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. We express no opinion regarding any other State or local tax consequences caused by the ownership or disposition of the Bonds.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

These opinions are rendered as of the date hereof and are based on existing law, which is subject to change. We assume no obligation to update or supplement these opinions to reflect any facts or circumstances that may come to our attention, or to reflect any changes in law that may hereafter occur or become effective.

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

Respectfully,

Appendix C

Form of Continuing Disclosure Agreement

[FORM OF CONTINUING DISCLOSURE AGREEMENT]

CONTINUING DISCLOSURE AGREEMENT

Town of Plymouth, Connecticut
\$3,000,000 General Obligation Bonds, Issue of 2026
dated May ___, 2026

May ___, 2026

WHEREAS, the Town of Plymouth, Connecticut (the “Town”) has heretofore authorized the issuance of \$3,000,000 in aggregate principal amount of its General Obligation Bonds, Issue of 2026, dated May ___, 2026 (the “Bonds”), maturing on the dates and in the amounts set forth in the Town’s Official Statement dated May ___, 2026 describing the Bonds (the “Official Statement”); and

WHEREAS, the Bonds have been sold by a competitive bid pursuant to a Notice of Sale, dated April 28, 2026 (the “Notice of Sale”); and

WHEREAS, in the Notice of Sale, the Town has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the Town has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the “Rule”), and the Town desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the Town is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement (this “Agreement”) is to be made, executed and delivered by the Town in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the Town hereby represents, covenants and agrees as follows:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

“Annual Report” shall mean any Annual Report provided by the Town pursuant to, and as described in, Sections 2 and 3 of this Agreement.

“Financial Obligation” shall mean any (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). Municipal securities as to which a final official statement has been filed with the Repository, consistent with the Rule, shall not be considered a Financial Obligation.

“Fiscal Year End” shall mean the last day of the Town’s fiscal year, currently June 30.

“Listed Events” shall mean any of the events listed in Section 4 of this Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” shall mean the Electronic Municipal Market Access (EMMA) system as described in 1934 Act Release No. 57577 for purposes of the Rule, the MSRB or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

“SEC” shall mean the Securities and Exchange Commission of the United States or any successor thereto.

Section 2. Annual Reports.

(a) The Town shall provide or cause to be provided to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, the following annual financial information and operating data regarding the Town:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End prepared in accordance with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

(A) the amounts of the gross and net taxable grand list;

(B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer’s taxable valuation thereon;

(C) the percentage and amount of the annual property tax levy collected and uncollected;

(D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;

(E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);

(F) the total direct debt, total net direct debt and total overall net debt of the Town per capita;

(G) the ratios of total direct debt and total overall net debt of the Town to the Town’s net taxable grand list;

(H) a statement of statutory debt limitations and debt margins; and

(I) the funding status of the Town’s pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Town’s audited financial statements. The information may be provided in whole or in part by cross-reference to other documents previously provided to the Repository, including official statements of the Town which will be available from the MSRB.

(c) Subject to the requirements of Section 8 hereof, the Town reserves the right to modify from time to time the type of financial information and operating data provided or the format of the presentation of such financial information and operating data, to the extent necessary or appropriate; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule. The Town also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The Town shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the Town shall provide such financial information and operating data no later than eight months after the close of such preceding Fiscal Year End. The Town agrees that if audited financial statements are not available eight months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

Section 4. Event Notices. The Town agrees to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, of the occurrence of any of the following events:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material;
- (xv) incurrence of a Financial Obligation by any obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of any obligated person, any of which affect Bondholders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of any obligated person, any of which reflect financial difficulties.

Section 5. Notice of Failure. The Town agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the Town to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The Town's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The Town may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Town from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the Town chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the Town shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The Town agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the Town under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The Town agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the Town does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the Town's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the Town with respect to the Bonds.

IN WITNESS WHEREOF, the Town has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

**TOWN OF PLYMOUTH,
CONNECTICUT**

By: _____
Name: David Sekorski
Title: Mayor

By: _____
Name: Vijay Dora
Title: Director of Finance

Appendix D

Notice of Sale

NOTICE OF SALE
\$3,000,000
TOWN OF PLYMOUTH, CONNECTICUT
GENERAL OBLIGATION BONDS, ISSUE OF 2026

Electronic bids (as described herein) will be received by the **TOWN OF PLYMOUTH, CONNECTICUT** (the “Town”), until 11:30 A.M. (E.T.) Tuesday,

MAY 5, 2026

(the “Sale Date”) for the purchase of all, but not less than all, of the \$3,000,000 Town of Plymouth, Connecticut General Obligation Bonds, Issue of 2026 (the “Bonds”). Electronic bids must be submitted via **PARITY®**. (See “Electronic Bidding Procedures”).

The Town reserves the right to make changes to the provisions of this Notice of Sale, including the date and time of the sale, prior to the date and time of sale set forth above. Any such changes will be posted through **PARITY®**. Prospective bidders are advised to check for such **PARITY®** postings prior to the above stated sale time.

The Bonds

The Bonds will be dated May 20, 2026, mature in the principal amounts of \$300,000 on May 15 in each of the years 2028 to 2037, both inclusive, bear interest payable on November 15, 2026 and semiannually thereafter on May 15 and November 15 in each year until maturity or earlier redemption, as further described in the Preliminary Official Statement for the Bonds dated April 28, 2026 (the “Preliminary Official Statement”).

The Bonds maturing on or before May 15, 2034 are not subject to redemption prior to maturity. The Bonds maturing on May 15, 2035 and thereafter are subject to redemption prior to maturity, at the election of the Town, on and after May 15, 2034, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the respective prices (expressed as a percentage of the principal amounts of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

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

Nature of Obligation

The full faith and credit of the Town will be pledged for the prompt payment of the principal of and interest on the Bonds when due. The Bonds will be general obligations of the Town payable, unless paid from other sources, 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.

Bank Qualification

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

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 and integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, or its custodian, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the Town or its agent in Federal funds to DTC or its nominee as registered owner of the Bonds. Principal and interest payments to participants of DTC will be the responsibility of DTC. Principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Electronic Bidding Procedures

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY®**. Subscription to i-Deal LLC’s BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Town 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®** shall be deemed an irrevocable offer to purchase the Bonds 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 Town. The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, **PARITY®**, the use of such facilities being the sole risk of the prospective bidder.

All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale. If any provisions of this Notice of Sale shall conflict with information provided by **PARITY®** as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Service Department (telephone: (212) 849-5021 - email notice: parity@i-deal.com).

Bid Specifications/Basis of Award

Each bid must be for the entire \$3,000,000 of Bonds and must specify the rate or rates of interest therefor in a multiple of 1/20 or 1/8 of 1% per annum. Bids shall not state more than one interest rate for any Bonds having the same maturity date. The highest interest rate bid for a maturity and the lowest rate bid for any other maturity may not differ by more than three (3%) percentage points. Interest shall be computed on the basis of twelve 30 day months and a 360 day year. No bid for less than all of the Bonds or for less than par and accrued interest, if any, will be considered.

For purposes of the electronic bidding process, the time as maintained by **PARITY®** shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Town, computed and rounded to six decimal places.

For the purpose of determining the successful bidder, the true interest cost to the Town will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to May 20, 2026, the date of the Bonds, results in an amount equal to the purchase price for the Bonds, not including interest accrued, if any, to May 20, 2026, the delivery date of the Bonds. It is requested that each bid be accompanied by a statement of the percentage of true interest cost computed and rounded to six decimal places. Such statement shall not be considered as a part of the bid. The Bonds will be awarded or all bids will be rejected promptly after the bid opening, but not later than 4:00 P.M. (E.T.) on the Sale Date. The purchase price must be paid in Federal funds.

The Town reserves the right to reject any and all bids and to waive any irregularity or informality with respect to any bid. The Town further reserves the right to postpone the sale to another time and date in its sole and absolute discretion for any reason, including, without limitation, internet difficulties. The Town will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Unless all bids are rejected or the bid is postponed, the Bonds will be awarded to the bidder offering to purchase them at the lowest true interest cost.

Closing Documents and Legal Opinion

The Bonds will be certified by U.S. Bank Trust Company, National Association, Hartford, Connecticut. The legality of the Bonds will be passed upon by Robinson & Cole LLP, Hartford, Connecticut (“Bond Counsel”), and the winning bidder will be furnished with their opinion without charge. The winning bidder will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to Bond Counsel, a signed copy of the final Official Statement prepared for the Bonds, a certificate signed by the appropriate officials of the Town relating to the accuracy and completeness of information contained in the final Official Statement, and an executed Continuing Disclosure Agreement.

The legal opinion will further state that (i) under existing statutes and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes, (ii) such interest is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, however, such interest is taken into account in determining the adjusted financial statement income of certain corporations for the purpose of computing the federal alternative minimum tax imposed on such corporations, (iii) under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and (iv) such interest is excludable from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay federal alternative minimum tax. In rendering its legal opinion, Bond Counsel will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the Town for the benefit of the owners of the Bonds, and further, will assume compliance by the Town with the covenants and procedures set forth in such Tax Regulatory Agreement. A copy of the opinion will be printed upon each of the Bonds, and a signed opinion and transcript of proceedings will be filed with U.S. Bank Trust Company, National Association, Hartford, Connecticut, and will be available for examination upon request.

Obligation to Deliver Issue Price Certificate

Pursuant to the Code and applicable Treasury Regulations, the Town must establish the “issue price” of the Bonds. In order to assist the Town, the winning bidder is obligated to deliver to the Town a certificate (an “Issue Price Certificate”) and such additional information satisfactory to Bond Counsel described below, prior to the delivery of the Bonds. The Town will rely on the Issue Price Certificate and such additional information in determining the issue price of the Bonds. The form of Issue Price Certificate is available by contacting Matthew A. Spoerndle, Senior Managing Director, a division of First Security Municipal

Advisors, Inc. (“Phoenix Advisors”), Email: mspoerndle@muniadvisors.com, Telephone: (203) 878-4945, municipal advisor to the Town (the “Municipal Advisor”).

By submitting a bid, each bidder is certifying that (i) it is an underwriter of municipal bonds which has an established industry reputation for underwriting new issuances of municipal bonds, (ii) its bid is a firm offer to purchase the Bonds, (iii) its bid is a good faith offer which the bidder believes reflects current market conditions, and (iv) its bid is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale rule relating to the establishment of the issue price of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Rule”).

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

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

Competitive Sale Rule Not Met. By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if the Competitive Sale Rule is not met, the winning bidder will abide by the **Hold the Offering Price Rule** described below with respect to each maturity of the Bonds prior to the delivery date of the Bonds.

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

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

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

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

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

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

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

Settlement of the Bonds

The Bonds will be available for delivery on or about May 20, 2026. The deposit of the Bonds with DTC or its custodian under a book-entry system requires the assignment of CUSIP numbers prior to delivery. The Municipal Advisor shall obtain CUSIP numbers for the Bonds prior to delivery, and the Town will not be responsible for any delay occasioned by the failure of the winning bidder to obtain such numbers and to supply them to the Town in a timely manner. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the winning bidder.

The Preliminary Official Statement is in a form “deemed final” by the Town for purposes of SEC Rule 15c2-12(b)(1). The winning bidder will be furnished a reasonable number of copies of the final Official Statement prepared for the Bonds at the Town’s expense. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. The copies of the final Official Statement will be made available to the winning bidder no later than seven business days after the bid opening at the office of the Town’s Municipal Advisor. If the Municipal Advisor is provided with the necessary information from the winning bidder by 12:00 p.m. (noon) on the day after the bid opening, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds.

Continuing Disclosure

The Town will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide (i) certain annual financial information and operating data, including audited financial statements; (ii) notice of the occurrence of certain events within 10 business days of the occurrence of such events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information. The winning bidder’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

Related Information

For more information regarding the Bonds and the Town, reference is made to the Preliminary Official Statement. Copies of the Preliminary Official Statement and the Issue Price Certificate may be obtained from the undersigned, or from Matthew A. Spoerndle, Senior Managing Director, Phoenix Advisors, Email: mspoerndle@muniadvisors.com, Telephone: (203) 878-4945, municipal advisor to the Town.

DAVID SEKORSKI
Mayor

SUSAN R. MURAWSKI
Town Treasurer

April 28, 2026