

Preliminary Official Statement Dated January 7, 2026

New Money Issue: Book-Entry-Only

Rating: See "Ratings" herein

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



\$10,525,000 Regional School District No. 15 of the State of Connecticut (Towns of Middlebury and Southbury) General Obligation Bonds, Issue of 2026

Dated: Date of Delivery

**Due: Serially on August 15,
as shown below:**

Year	Principal	Coupon	Yield	CUSIP ¹	Year	Principal	Coupon	Yield	CUSIP ¹
2027	\$ 505,000	___%	___%	759126	2038	\$ 500,000	___%	___%	759126
2028	505,000	___%	___%	759126	2039	500,000	___%	___%	759126
2029	505,000	___%	___%	759126	2040	500,000	___%	___%	759126
2030	505,000	___%	___%	759126	2041	500,000	___%	___%	759126
2031	505,000	___%	___%	759126	2042	500,000	___%	___%	759126
2032	500,000	___%	___%	759126	2043	500,000	___%	___%	759126
2033	500,000	___%	___%	759126	2044	500,000	___%	___%	759126
2034	500,000	___%	___%	759126	2045	500,000	___%	___%	759126
2035	500,000	___%	___%	759126	2046	500,000	___%	___%	759126
2036	500,000	___%	___%	759126	2047	500,000	___%	___%	759126
2037	500,000	___%	___%	759126					

The \$10,525,000 General Obligation Bonds, Issue of 2026 (the "Bonds") will be general obligations of Regional School District No. 15 of the State of Connecticut (Towns of Middlebury and Southbury) (the "District"), and the District will pledge its full faith and credit to pay principal and interest on the Bonds when due. (See "Security and Remedies" herein.)

Electronic bids via PARITY® for the Bonds will be received until 11:30 A.M. (Eastern Time) on Wednesday, January 14, 2026, at the Business Office of Regional School District No. 15, 286 Whittemore Road, Middlebury, Connecticut 06762 as described in the Notice of Sale. (See "Appendix D" to this Official Statement).

Interest on the Bonds will be payable on August 15, 2026 and semiannually thereafter on February 15 and August 15 in each year until maturity. The Bonds will be issued 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 serve 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 described herein) of the Bonds. (See "Book-Entry Transfer System" herein.)

The Bonds are subject to optional redemption prior to maturity as more fully described herein. (See "Redemption Provisions" herein.)

The Registrar, Transfer Agent, Paying Agent, and Certifying Agent for the Bonds will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC in New York, New York on or about January 23, 2026.

This cover page contains certain information for quick refence only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

¹ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc, which is not affiliated with the District and are included solely for the convenience of the holders of the Bonds. The District is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds 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 or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 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.

No dealer, broker, salesperson or other person has been authorized by Regional School District No. 15 of the State of Connecticut (the "District") 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 by the District. 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 set forth herein has been obtained by the District from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

Certain information contained herein has been obtained from DTC. The District has relied entirely on DTC for such information. The District makes no representation as to the accuracy or completeness of such information.

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 District since the date of this Official Statement.

The independent auditors of the Member Towns have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period. The independent auditors for the District 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 Appendix A "General Purpose Financial Statements" to this Official Statement, and they make no representation that they have independently verified the same.

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

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

The District deems this official statement to be "final" for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

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

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Bond Issue Summary

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

Date of Sale:	Wednesday, January 14, 2026 at 11:30 A.M. (Eastern Time).
Location of Sale:	Business Office of Regional School District No. 15, 286 Whittemore Road, Middlebury, Connecticut 06762.
Issuer:	Regional School District No. 15 of the State of Connecticut (Towns of Middlebury and Southbury) (the "District").
Issue:	\$10,525,000 General Obligation Bonds, Issue of 2026 (the "Bonds").
Dated Date:	Date of Delivery.
Principal and Interest Due:	Principal due serially August 15, 2027 through August 15, 2047. Interest due February 15 and August 15 in each year until maturity, commencing August 15, 2026.
Purpose and Authority:	The Bonds are being used to finance various school projects. See "Authorization and Purpose" and "Use of Proceeds" herein.
Redemption:	The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein.
Security:	The Bonds will be general obligations of the District, and the District will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Ratings:	Application for a rating on the Bonds has been made to Moody's Ratings ("Moody's"). The District has an outstanding issuer rating from Moody's of "Aa2". The District's Member Town of Middlebury, Connecticut has an outstanding bond rating from Moody's of "Aa1". The District's Member Town of Southbury, Connecticut has an issuer credit rating from S&P Global Rating of "AAA".
Bond Insurance:	The District does not expect to purchase a credit enhancement facility.
Tax Exemption:	See "Tax Matters" herein.
Basis of Award:	Lowest True Interest Cost (TIC).
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the District will agree to provide, or cause to be provided, (i) annual financial and operating data, (ii) timely notice of the occurrence of certain events not in excess of 10 business days after the occurrence of such events and (iii) timely notice of a failure by the District to provide the required annual financial information and operating data with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the District substantially in the form attached as Appendix C to this Official Statement.
Bank Qualification:	The Bonds <u>shall NOT</u> be designated by the District as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.
Registrar, Transfer Agent, Certifying Agent & Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Pullman & Comley, LLC of Hartford, Connecticut will act as bond counsel. (See Appendix B to this Official Statement)
Municipal Advisor:	Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Milford, Connecticut. Barry J. Bernabe, Managing Director. Telephone (203) 283-1110.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made through the facilities of The Depository Trust Company on or about January 23, 2026. Delivery of the Bonds will be made against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to: Joseph Martino, Director of Finance and Operations, 286 Whittemore Road, Middlebury, Connecticut 06762. Telephone (203) 758-8259.

I. Bond Information

Introduction

This Official Statement is provided for the purpose of presenting certain information relating to Regional School District No. 15 of the State of Connecticut (the “District”) comprised of the Towns of Middlebury and Southbury (the “Member Towns”), in connection with the original issuance and sale of \$10,525,000 General Obligation Bonds, Issue of 2026 (the “Bonds”) of the District.

The Bonds are being offered for sale at public bidding. A Notice of Sale for the Bonds dated January 7, 2026, has been furnished to prospective bidders. Reference is made to the Notice of Sale attached hereto as Appendix D for the terms and conditions of the bidding.

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

This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or holders of any of the Bonds. 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. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the District contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents, and all references to the Bonds and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

Municipal Advisor

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Milford, Connecticut, has served as Municipal Advisor to the District in connection with the issuance of the Bonds (the “Municipal Advisor”) and has assisted 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 on August 15 in each of the years and in such amounts and bear interest at the rates per annum specified on the cover page of this Official Statement, payable semiannually on February 15 and August 15 in each year until maturity, commencing August 15, 2026. 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 January and July 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, the Paying Agent and the District shall agree.

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Redemption Provisions

Bonds maturing on or before August 15, 2035 are not subject to redemption prior to maturity. The Bonds maturing on August 15, 2036 and thereafter are subject to redemption prior to maturity, at the option of the District, on or after August 15, 2035 at any time, either in whole or in part, in such amounts and in such order of maturity, (but by lot within a maturity) as the District may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
August 15, 2035 and thereafter.....	100%

Notice of redemption shall be given by the District or its agent by mailing a copy of the redemption notice by first-class mail not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the registered owner of the Bonds at the address of such registered owner as the same shall last appear on the registration books for the Bonds kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

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 District 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 District, so long as Cede & Co., as nominee of the Depository Trust Company (“DTC”), is the registered owner of the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its successor nominee. Any failure of DTC to advise any Direct Participant, or of any Direct Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its contents or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of a portion of the Bonds of any maturity by the District will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interests held by Direct 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 Direct Participants. The Direct Participants and Indirect Participants may allocate reductions of the interest 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 District authorizing the issuance of the Bonds and will not be conducted by or the responsibility of the District, the Registrar or Paying Agent.

Authorization and Purpose

The Bonds are issued pursuant to the following bond resolution adopted at a referendum held by the Member Towns on May 3, 2023:

2023 Capital Improvements: An appropriation and borrowing authorization in the amount of \$10,525,000 for costs of the planning, design, acquisition, construction, furnishing and equipping of various capital improvements and renovations to District schools and facilities, consisting of (a) a new pool, bleachers, storage building for equipment, tennis courts, auditorium, HVAC replacement, fire panel replacement and parking lot paving at Pomperaug High School, (b) library media center upgrades, basketball courts, fire panel replacement and boiler upgrades for natural gas at Memorial Middle School, (c) lockers, HVAC replacement and fire panel replacement at Rochambeau Middle School, (d) water line, library media center upgrades and HVAC replacement at Middlebury Elementary School, (e) roof and parking lot paving at Longmeadow Elementary School, (f) security upgrades to all District buildings, and (g) all other work related to the projects listed in (a) through (f). The appropriation may be spent for design, construction, acquisition, site improvements, demolition and removal of materials, installation, relocation, permitting and environmental costs, furnishings, fixtures, equipment, technology, materials, site improvements, architectural, engineering and other consultant fees, legal fees, net interest on borrowings and other financing costs, and other expenses related to the Project and its financing, including the preparation of schematic drawings and outline specifications for the Project. The District Board of Education shall determine the final scope and particulars of the Project, and may reduce or modify the scope of the Project, and the appropriation may be spent on the Project as so reduced or modified.

Use of Proceeds

<i>Project</i>	<i>Aggregate Amount Authorized</i>	<i>Maturing Notes Due: 1/23/26</i>	<i>Additions / (Reductions)</i>	<i>This Issue: The Bonds</i>
2023 Capital Improvements ...	\$ 11,275,000	\$ 10,275,000	\$ 250,000	\$ 10,525,000
Total	\$ 11,275,000	\$ 10,275,000	\$ 250,000	\$ 10,525,000

Book-Entry-Only Transfer System

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

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

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

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

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

Redemption notices shall be sent to DTC. If less than all of the Bonds 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 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and Interest on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying 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 Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

DTC Practices

The District 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 District fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the District determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the District will 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 District and the Member Towns, and the District will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

Unless paid from other sources, the Bonds are payable from general property tax revenues of the Member Towns. The Member Towns have the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in said Member Towns without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such classified property on the last completed grand list of the Member Towns and, under existing statutes, the State of Connecticut is obligated to pay the Member Towns the amount of tax revenue which the Member Towns would have received except for the limitation on its power to tax such dwelling houses or the Member Towns may place a lien on the property in the amount of the tax relief granted plus interest.

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

Section 10-58a of the Connecticut General Statutes, Revision of 1958, as amended, provides that upon verification of a default by a regional school district in the payment of principal of or interest on its bonds or notes, the State Comptroller is required to withhold future payments of State aid and assistance in such amounts as may be required to remedy the default. If the amounts withheld from the district are insufficient for this purpose, payments of State aid and assistance due to the Member Towns must similarly be withheld and applied. The withheld payments are to be forwarded promptly to the paying agent or agents for the bonds or notes in default for the sole purpose of paying the defaulted principal of and interest on such obligations.

Section 10-63f of the Connecticut General Statutes, Revision of 1958, as amended, provides that the withdrawal of a member town from a regional school district or the dissolution of a regional school district pursuant to the provisions of Section 10-63a et seq. of said General Statutes will not impair the obligation of the withdrawing member town or the district to the holders of bonds or other indebtedness issued prior to the withdrawal or dissolution.

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

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

Enforcement of a claim for payment of principal of or interest on the Bonds would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, 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 power to levy taxes and issue bonds, notes, or other obligations. The District does not have the direct power to levy taxes.

Qualification for Financial Institutions

The Bonds shall NOT be designated by the District as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Availability of Continuing Information

The District prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management on an annual basis.

The District will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C to this Official Statement, to provide or cause to be provided, in accordance with the requirements of the Securities and Exchange Commission Rule 15c2-12 (the "Rule"), (i) annual financial information and operating data, (ii) timely notice of the occurrence of certain events with respect to the Bonds not in excess of 10 business days of the occurrence of such events, and (iii) timely notice of a failure by the District to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement for the Bonds. The winning bidder's obligation to purchase the Bonds is conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement.

The District has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and events of notices pursuant to Rule 15c2-12(b)(5). For the last five years, the District has not failed to meet in any material respects any of its undertakings under such agreements.

Rating

Application for a rating on the Bonds has been made to Moody's Ratings ("Moody's"). The District furnished the rating agency certain information and materials, some of which may not have been included in this Official Statement. The rating reflects only the views of the rating agency and an explanation of the significance of the rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of the rating may have an effect on the market price of the District's bonds and notes, including the Bonds.

The District has an outstanding issuer rating from Moody's of "Aa2". The District's Member Town of Middlebury, Connecticut has an outstanding bond rating from Moody's of "Aa1". The District's Member Town of Southbury, Connecticut has an issuer credit rating from S&P Global Rating of "AAA".

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Tax Matters

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

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

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

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

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

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

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

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

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

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

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

Owners of the Bonds should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds.

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

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

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

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

Bond Insurance

The District does not expect to purchase a credit enhancement facility for the Bonds.

Public Health Considerations

Commencing in late 2019, an outbreak of a respiratory disease caused by a new strain of coronavirus (“COVID-19”) resulted in a global public health crisis. The federal and State governments both declared public health emergencies and, along with local governments, took action to limit the spread of the outbreak and reduce the resulting economic impact. The federal and State public health emergency declarations have since been terminated.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the District. However, prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the federal or State governments and that any resurgence of COVID-19 or another infectious disease could have a material adverse effect on the District and its financial and operational performance.

Pandemics, epidemics and other public health emergencies, may adversely impact the District and its revenues, expenses and financial condition. The District 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 District. 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 District revenues, expenses and financial condition.

Cybersecurity

The District, like many other public and private entities, relies on technology to conduct its operations. The District and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the District has invested in disaster recovery systems and a continuity of IT operations plan which leverages regular daily system backups. In the event of a cybersecurity incident, recovery from an earlier state from any enterprise application system is possible. The District has all key financial and student databases hosted offsite with multiple failover data centers. All crucial financial functions such as payment processing and payroll processing can be done on site or off site. The District currently has a cybersecurity insurance policy. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage the District’s digital networks and systems and the costs of remedying any such damage could be substantial.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The District faces other threats due to climate change, including damaging wind that could become more severe and frequent. The District cannot predict the timing, extent or severity of climate change and its impact on the District’s operations and finances.

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II. The Issuer



Description of Regional School District No. 15 and Member Towns

Regional School District No. 15

Regional School District Number 15 (the “District”) was established under the provisions of Part III of Chapter 164 of the Connecticut General Statutes upon approval of the voters of the Towns of Middlebury and Southbury (the “Member Towns”), on December 18, 1968. The District provides educational facilities for grades pre-kindergarten through 12 for the Towns of Middlebury and Southbury.

The affairs of the District are administered by a Regional Board of Education (the “Board”) made up of ten members, four members from the Town of Middlebury and six members from the Town of Southbury. Members are elected in their respective towns in the same manner as Town officers and serve four-year terms. The terms are staggered so that not more than 50 percent expire in any one year, per state statute. The Board has responsibility over all activities related to public elementary and secondary school education for its Member Towns. Since the Board members are elected by the public, they are the governing authority for the District.

After adoption of the annual budget of the District, the Board must determine the amount of the total budgetary appropriation that each of the Member Towns must pay. The amount each Town is to pay is determined by the number of pupils resident in such Town in average daily membership during the preceding school year. For fiscal year 2025-26, the Town of Middlebury will pay approximately 33.2% of the District’s budget, and the Town of Southbury will pay approximately 66.8%.

The District’s operating and debt service expenses are paid from state grants for transportation, special education, and bond principal and interest subsidies, from miscellaneous revenues such as tuition reimbursement, earnings on investments, and by the Member Towns in proportion to the number of students attending the District. Payments are made monthly in accordance with a budget to operate the District on a current cash basis.

Section 10-51a of the Connecticut General Statutes provides that if a member town fails to include in its annual town budget the amount necessary to pay its proportionate share of the annual district budget, a petition may be filed with the Superior Court to determine the amount of the alleged deficiency. If such a deficiency is found to exist, the Superior Court shall order the town to provide a sum equal to such deficiency, together with a sum of money equal to twenty-five percent thereof. The amount of the deficiency shall then be paid by the town to the regional school district; the additional sum of twenty-five percent shall be kept in a separate account by such town and shall be applied toward payment of such town's share of the annual budget of the regional school district in the following year. If the annual tax rate of such town has been fixed, the sums shall be provided by the town from any available cash surplus, from any contingent fund, from borrowing or from any combination thereof.

Section 10-63f of the Connecticut General Statutes provides that the withdrawal of a town from the district or the dissolution of the district would not impair the obligation of the withdrawing town or the district to the holders of any outstanding indebtedness issued prior to such withdrawal or dissolution.

General Description – Town of Middlebury

The Town of Middlebury, located in New Haven County, was incorporated in 1807 and comprises 18.0 square miles in area. Hartford is approximately 35 miles to the northeast, Waterbury six miles to the east, and New Haven 19 miles to the southeast. Accessibility is enhanced by a network of interstate and Connecticut state highways. Interstate 84 passes through the southern portion of Town and connects with Route 8 in nearby Waterbury. Middlebury is also intersected by Connecticut Routes 63, 64 and 188. Air transportation is available at the Oxford Regional Airport as well as at Bradley International Airport in Windsor Locks and Kennedy and LaGuardia Airports in New York.

Middlebury is an attractive, residential community with wealth indicators (as measured by per capita income and median home values) significantly above regional and state measures. On average, Middlebury's residents are better educated, slightly older and more likely to be managers or professional than Connecticut residents in general. Located within or nearby Middlebury are many recreational facilities and cultural resources. These amenities, a well developed infrastructure and accessibility favor Middlebury as a location for corporate facilities.

General Description – Town of Southbury

The Town of Southbury, located in New Haven County, was incorporated in May 1787 and covers an area of 40.9 square miles. The Town is bordered by Woodbury and Roxbury to the north, Bridgewater, Brookfield and Newtown to the west and southwest, and Middlebury and Oxford to the east. Midway between Danbury and Waterbury on Interstate 84, the Town is bordered on the west by the Housatonic River with its Lakes Zoar and Lillinonah.

Southbury strives to preserve its rural atmosphere. Southbury is well suited to family living and is comprised of rural country areas, friendly suburban neighborhoods and intriguing historic districts. The Town features several distinct villages of historic note that add to the New England character of the Town. Historic Main Street, once a Pomperaug Indian trail, showcases the fine architecture of the Town's first homes. The Bullet Hill School is also on Main Street and is one of the oldest school buildings in the country. The school operated from 1689 to 1942 and is used today as a unique classroom where students experience a typical nineteenth century school day. The wide open spaces of Southbury lend themselves to leisure and sporting pleasure. The Athletic Association maintains excellent facilities, and Lake Zoar features water sports and equestrian fun.

Principal District Officials

Office	Name	Manner of Selection	Term Expires
Board of Education			
Chairperson.....	Marion Manzo	Elected	2029
Secretary.....	Tom Marks	Elected	2029
Treasurer.....	Heather Rodgers	Elected	2029
Member.....	Sharon Attick	Elected	2027
Member.....	Shannon Cavallo	Elected	2029
Member.....	Heather Dwyer	Elected	2027
Member.....	Jeff Olsen	Elected	2027
Member.....	Sally Romano	Elected	2027
Member.....	Steven Suriani	Elected	2027
Member.....	John Jenusaitis	Elected	2029
Superintendent of Schools.....	Joshua Smith	Appointed	2028
Director of Finance and Operations.....	Joseph Martino	Appointed	2028

Source: Director of Finance and Operations, Regional School District No. 15.

Employee Relations and Collective Bargaining

Regional School District No. 15 employs full-time and permanent employees as detailed below:

District Employees

	Employee Breakdown
Administration	24
Teachers	351
Clerical	42
Nurses	12
Custodians/Maintenance	38
Cafeteria	28
Para-professionals	125
Part-time	33
Total	652

Source: Director of Finance and Operations, Regional School District No. 15.

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Employee Bargaining Groups

Board of Education	Bargaining Unit	Number of Members	Contract Expiration Date
Administrators.....	Pomperaug Administrators' Group	20	6/30/2029
Teachers.....	Pomperaug Teachers' Association	355	6/30/2028
Cafeteria.....	Cafeteria Workers' Association	28	6/30/2026
Custodians.....	Teamsters Local #677	37	6/30/2026
Secretaries & Nurses..	Pomperaug Association of Educational Personnel	197	6/30/2026
Nurses.....	School Nurses' Agreement	10	6/30/2029
Total Organized.....		647	
Total Non-Union		46	
Total		693	

Source: Director of Finance and Operations, Regional School District No. 15.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality (in the case of a Regional School District, the legislative body of each member town) may reject the arbitration panel's decision by a two-thirds majority vote. The State and the employee organization must be advised in writing of the reasons for rejection. The State will then appoint 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 of contracts, in assessing the financial capability of a municipality, there is an irrefutable presumption that a budget reserve of (i) 5% or less with respect to teacher's contracts and (ii) 15% or less with respect to municipal employees, is not available for payment of the cost of any item subject to arbitration. In the light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

District's Educational System

The District enrolls approximately 3,511 students in grades pre-kindergarten through twelve. The Region employs a highly experienced professional staff of 355 teachers, more than 80% of whom hold a master's degree or higher. A number of the Region's teachers and administrators are considered experts in their fields and make presentations and write for Regional and National Professional Organizations.

The District offers a comprehensive program of courses throughout all grade levels. Student achievement is high and improving. Approximately 90% of the high school seniors continue their education after graduation. Middle school students are offered studies in foreign language, home economics, and technology education. Academic courses and vocational programs in the areas of business, graphics, and video technology are available to high school students. The Career & Technical Education program combines three disciplines, Business and Finance Technology, Family and Consumer Sciences and Technology Education. Each maintains its own identity, specific aims and programs. Computers are used as tools for learning throughout all of the grade structure. All of the schools have full-time guidance counselors and a developmental guidance program offering services to all students. A comprehensive program in special education is provided for students with special needs. A systematic review of all programs is performed on a five-year rotation schedule.

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School Facilities

School	Grades	Date of Construction (Additions, Remodeling)	Number of Classrooms	10/1/2025 Enrollment	Rated Capacity
Long Meadow Elementary	Pre-K-5	1997	34	502	514
Pomperaug Elementary	K-5	1967 (1992)	22	367	473
Gainfield Elementary	K-5	1941 (1982)	18	325	390
Middlebury Elementary	K-5	1982 (1993)	18	290	390
Memorial Middle	6-8	1953 (2004)	22	413	472
Rochambeau Middle	6-8	1955 (2004)	23	426	548
Pomperaug High	9-12	1979 (2004)	104	977	1,020
Alternative School	9-12	1919 (2004)	N/A	7	N/A
Total.....			241	3,307	3,807

Source: Director of Finance and Operations, Regional School District No. 15.

School Enrollment

Historical

School Year	Grades K - 5	Grades 6 - 8	Grades 9 - 12	Special Education	Total
2016 - 17	1,471	942	1,220	64	3,697
2017 - 18	1,407	924	1,193	60	3,584
2018 - 19	1,474	867	1,236	89	3,666
2019 - 20	1,545	844	1,245	91	3,725
2020 - 21	1,478	809	1,152	64	3,503
2021 - 22	1,550	795	1,131	88	3,564
2022 - 23	1,557	790	1,048	97	3,492
2023 - 24	1,569	795	998	100	3,462
2024 - 25	1,479	831	970	83	3,363
2025 - 26	1,437	839	977	90	3,343

School Year	Projected				Total
2026 - 27	1,452	848	994	83	3,377
2027 - 28	1,429	856	984	83	3,352

Source: Director of Finance and Operations, Regional School District No. 15.

Average Daily Membership

	2026	2025	2024	2023	2022
Middlebury.....	33.1%	34.4%	33.9%	33.8%	33.6%
Southbury.....	66.8%	65.6%	66.1%	66.2%	66.4%

Source: Director of Finance and Operations, Regional School District No. 15.

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III. Economic and Demographic Information

Population and Density

Town of Middlebury

Actual

Year	Population	% Increase	Density ¹
2023 ²	7,736	2.1%	418.2
2020	7,574	0.0%	409.4
2010	7,575	17.4%	409.5
2000	6,451	5.0%	348.7
1990	6,145	2.5%	332.2
1980	5,995	8.2%	324.1

¹ Per square mile: 18.5 square miles.

² American Community Survey 2019-2023.

Source: U.S. Department of Commerce, Bureau of Census.

Town of Southbury

Actual

Year	Population	% Increase	Density ¹
2023 ²	19,973	0.5%	498.1
2020	19,879	-0.1%	495.7
2010	19,904	7.2%	496.4
2000	18,567	17.4%	463.0
1990	15,818	11.7%	394.5
1980	14,156	80.3%	353.0

¹ Per square mile: 40.1 square miles.

² American Community Survey 2019-2023.

Source: U.S. Department of Commerce, Bureau of Census.

Age Distribution of the Population

Age	Town of Middlebury		Town of Southbury		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	384	5.0%	926	4.6%	181,240	5.0%
5 to 9 years	557	7.2	986	4.9	195,390	5.4
10 to 14 years	473	6.1	1,375	6.9	217,297	6.0
15 to 19 years	478	6.2	850	4.3	238,145	6.6
20 to 24 years	431	5.6	935	4.7	233,423	6.5
25 to 34 years	727	9.4	1,460	7.3	449,771	12.5
35 to 44 years	1,042	13.5	2,143	10.7	451,461	12.5
45 to 54 years	847	10.9	2,213	11.1	462,543	12.9
55 to 59 years	464	6.0	1,422	7.1	260,758	7.2
60 to 64 years	634	8.2	1,640	8.2	257,548	7.2
65 to 74 years	1,081	14.0	2,909	14.6	376,023	10.4
75 to 84 years	407	5.3	2,162	10.8	187,378	5.2
85 years and over	211	2.7	952	4.8	87,371	2.4
Total.....	7,736	100.0%	19,973	100.0%	3,598,348	100.0%

Source: American Community Survey 2019-2023.

Income Distribution

Income	Town of Middlebury		Town of Southbury		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	34	1.6%	5	0.1%	22,973	2.5%
10,000 - 14,999.....	10	0.5	-	0.0	12,547	1.4%
15,000 - 24,999.....	36	1.7	29	0.6	29,893	3.3%
25,000 - 34,999.....	6	0.3	143	2.8	35,598	3.9%
35,000 - 49,999.....	75	3.5	211	4.1	61,793	6.7%
50,000 - 74,999.....	132	6.1	420	8.2	108,046	11.8%
75,000 - 99,999.....	186	8.7	504	9.9	108,216	11.8%
100,000 - 149,999.....	518	24.1	978	19.2	185,242	20.2%
150,000 - 199,999.....	449	20.9	948	18.6	128,574	14.0%
200,000 and over.....	701	32.7	1,863	36.5	224,258	24.5%
Total.....	2,147	100.0%	5,101	100.0%	917,140	100.0%

Source: American Community Survey 2019-2023.

Income Levels

	Town of Middlebury	Town of Southbury	State of Connecticut
Per Capita Income, 2023.....	\$58,423	\$65,768	\$54,409
Per Capita Income, 2010.....	\$44,850	\$40,022	\$36,775
Median Family Income, 2023.....	\$154,375	\$161,676	\$120,011
Percent Below Poverty.....	3.6%	1.1%	6.8%

Source: American Community Survey 2019-2023.

Educational Attainment Years of School Completed Age 25 & Over

	Town of Middlebury		Town of Southbury		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade.....	85	1.6%	461	3.1%	101,530	4.0%
9th to 12th grade, no diploma.....	139	2.6	320	2.1	118,019	4.7
High School graduate	726	13.4	2,882	19.3	647,094	25.5
Some college, no degree.....	1,024	18.9	2,314	15.5	410,591	16.2
Associate degree.....	549	10.1	1,245	8.4	193,216	7.6
Bachelor's degree.....	1,568	29.0	4,010	26.9	581,935	23.0
Graduate or professional degree....	1,322	24.4	3,669	24.6	480,468	19.0
Total.....	5,413	100.0%	14,901	100.0%	2,532,853	100.0%
Percent high school graduate or higher.....		95.9%		94.8%		91.3%
Percent bachelor's degree or higher.....		53.4%		51.5%		41.9%

Source: American Community Survey 2019-2023.

Employment by Industry

Sector	Town of Middlebury		Town of Southbury		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	22	0.6%	107	1.1%	7,261	0.4%
Construction.....	128	3.3	469	4.9	112,821	6.1
Manufacturing.....	384	10.0	1092	11.4	195,355	10.6
Wholesale trade.....	102	2.7	196	2.1	37,294	2.0
Retail trade.....	355	9.3	1051	11.0	192,535	10.5
Transportation warehousing, and utilities....	144	3.8	327	3.4	84,571	4.6
Information.....	108	2.8	190	2.0	36,631	2.0
Finance, insurance, real estate, and leasing..	294	7.7	523	5.5	162,724	8.9
Professional, scientific, management, administrative, and waste management....	353	9.2	1560	16.3	223,982	12.2
Education, health and social services.....	1,383	36.1	2,698	28.2	490,839	26.7
Arts, entertainment, recreation, accommodation and food services.....	217	5.7	603	6.3	145,445	7.9
Other services (except public admin.).....	87	2.3	388	4.1	78,662	4.3
Public Administration.....	252	6.6	350	3.7	67,335	3.7
Total Labor Force, Employed.....	3,829	100.0%	9,554	100.0%	1,835,455	100.0%

Source: American Community Survey 2019-2023.

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**Employment Data
By Place of Residence**

Period	Percentage Unemployed				
	Town of Middlebury		Town of Middlebury	Waterbury Labor Market	State of Connecticut
	Employed	Unemployed			
September 2025.....	8,087	233	2.8	4.4	3.8
Annual Average					
2024.....	3,890	122	3.0	4.4	3.5
2023.....	3,895	135	3.4	4.7	3.7
2022.....	3,868	139	3.5	5.2	4.1
2021.....	3,587	187	5.0	8.0	6.6
2020.....	3,616	228	6.0	8.5	7.3
2019.....	3,870	117	2.9	4.9	3.7
2018.....	3,833	135	3.4	5.1	4.1
2017.....	3,732	158	4.1	5.9	4.7
2016.....	3,669	160	4.2	6.5	5.3
2015.....	3,668	165	4.3	7.1	5.6

Source: State of Connecticut, Department of Labor.

Period	Percentage Unemployed				
	Town of Southbury		Town of Southbury	Waterbury Labor Market	State of Connecticut
	Employed	Unemployed			
September 2025.....	9,631	346	3.5	4.4	3.8
Annual Average					
2024.....	8,464	297	3.4	4.4	3.5
2023.....	8,390	321	3.7	4.7	3.7
2022.....	8,325	354	4.1	5.2	4.1
2021.....	7,617	486	6.1	8.0	6.6
2020.....	7,875	564	5.9	8.5	7.3
2019.....	8,451	296	3.4	4.9	3.7
2018.....	8,365	344	3.9	5.1	4.1
2017.....	8,469	395	4.5	5.9	4.7
2016.....	8,473	446	5.0	6.5	5.3
2015.....	8,482	455	5.1	7.1	5.6

Source: State of Connecticut, Department of Labor.

Age Distribution of Housing

Year Built	Town of Middlebury		Town of Southbury		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	461	15.2%	686	7.8%	316,471	20.7%
1940 to 1969.....	1,062	34.9	1,724	19.6	524,381	34.2
1970 to 1979.....	341	11.2	2,742	31.1	209,518	13.7
1980 to 1989.....	161	5.3	1,429	16.2	193,340	12.6
1990 to 1999.....	161	5.3	984	11.2	118,948	7.8
2000 or 2009.....	550	18.1	986	11.2	104,310	6.8
2010 or later.....	306	10.1	256	2.9	64,364	4.2
Total Housing Units.....	3,042	100.0%	8,807	100.0%	1,531,332	100.0%

Source: American Community Survey 2019-2023.

Housing Inventory

Housing Units	Town of Middlebury		Town of Southbury		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1-unit, detached.....	2,532	82.4%	5,202	58.9%	901,187	58.7%
1-unit, attached.....	252	8.2	1,787	20.2	95,202	6.2
2 units.....	-	-	546	6.2	118,295	7.7
3 or 4 units.....	17	0.6	598	6.8	126,755	8.3
5 to 9 units.....	24	0.8	259	2.9	76,750	5.0
10 to 19 units.....	-	-	182	2.1	55,290	3.6
20 or more units.....	229	7.5	252	2.9	150,986	9.8
Mobile home.....	17	0.6	-	-	10,967	0.7
Boat, RV, van, etc.....	-	-	-	-	617	0.0
Total Inventory.....	3,071	100.0%	8,826	100.0%	1,536,049	100.0%

Source: American Community Survey 2019-2023.

Building Permits

Fiscal Year Ending 6/30	Town of Middlebury		Town of Southbury	
	Number	Value	Number	Value
2025	964	\$ 486,031	2,497	\$ 575,888
2024	1,239	417,951	2,358	511,845
2023	1,272	366,322	2,276	477,964
2022	868	226,302	2,378	503,286
2021	960	331,930	1,550	323,196
2020	614	230,075	1,345	281,979

Source: Building Department, Towns of Middlebury and Southbury.

Owner-Occupied Housing Values

Specified Owner-Occupied Units	Town of Middlebury		Town of Southbury		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000.....	45	1.8%	182	2.6%	22,174	2.4%
\$50,000 to \$99,000.....	7	0.3	81	1.1	15,116	1.6
\$100,000 to \$149,999.....	18	0.7	324	4.6	38,832	4.1
\$150,000 to \$199,000.....	26	1.0	631	8.9	77,152	8.2
\$200,000 to \$299,999.....	294	11.6	1,367	19.3	233,824	24.9
\$300,000 to \$499,999.....	1,091	43.1	2,628	37.1	319,703	34.0
\$500,000 to \$999,999.....	986	38.9	1,831	25.8	173,643	18.5
\$1,000,000 or more.....	67	2.6	46	0.6	59,468	6.3
Total.....	2,534	100.0%	7,090	100.0%	939,912	100.0%
Median Value.....	\$452,000		\$381,800		\$343,200	

Source: American Community Survey 2019-2023.

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IV. Tax Base Data

Property Tax

Assessments

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Member Towns for inclusion on the Grand Lists is the responsibility of their Assessors. The Grand List represents the total of assessed value for all taxable real and personal property located within the town as of October 1. A Board of Assessment Appeal determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at seventy percent (70%) of market value at the time of the last revaluation: the Middlebury Grand List as of October 1, 2021; the Southbury Grand List as of October 1, 2022. The next revaluations for the Member Towns are October 1, 2027.

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.

Motor vehicle lists are furnished to the Member Towns by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials and as recommended by the State Office of Policy and Management. Section 12-71b of The Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following July 31. 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 Grand List, the taxpayer is entitled to certain credits.

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

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed 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 Member Towns have not approved the use of this abatement provision to date.

Motor Vehicle Property Tax Cap: Section 12-71e(a) of the Connecticut General Statutes (the "General Statutes") has been amended whereby the mill rate for motor vehicles shall not exceed 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 12-71e(b) of the General Statutes has been amended to state that no district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town, city, consolidated town and city or consolidated town and borough in which such district or borough is located would result in a combined motor vehicle mill rate above 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 4-661 of the General Statutes 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 of Middlebury's mill rate for motor vehicles for fiscal year ending June 30, 2026 is 32.46 mills. The Town of Southbury's mill rate for motor vehicles for fiscal year ending June 30, 2026 is 24.20 mills.

Levy

Towns of Middlebury and Southbury

Property taxes are levied on all taxable assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Real and personal property taxes are billed in the following July and are payable in two installments on July 1 and January 1, except motor vehicle taxes and real and personal property taxes under \$100, which are payable in full on July 1. Motor vehicle supplemental bills are payable on January 1. A modest estimate for outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Payments not received within one month after the due date become delinquent, with interest charged at the rate of one and one-half percent per month from the due date on the tax. In accordance with state law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills.

Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years, at which time they cease to be carried as receivables. Real estate accounts are transferred to suspense 15 years after the due date in accordance with state statutes.

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) 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 a deferred revenue.

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.

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Comparative Assessed Valuations

Town of Middlebury

Grand List of 10/1	Residential			Gross Taxable		Net Taxable	Percent Change
	Real Property (%)	Personal Property (%)	Motor Vehicle (%)	Grand List (000's)	Less Exemption (000's)	Grand List (000's)	
2024	86.1	6.1	7.8	\$ 1,209,078	\$ 9,638	\$ 1,199,441	0.32
2023	85.8	5.5	8.7	1,201,965	6,338	1,195,627	0.76
2022	85.3	5.5	9.2	1,194,696	8,074	1,186,622	1.45
2021 ¹	85.9	5.7	8.4	1,176,351	6,741	1,169,610	18.42
2020	87.4	5.7	6.9	993,333	5,678	987,655	1.56
2019	87.9	5.4	6.7	977,180	4,736	972,444	1.09
2018	88.4	5.0	6.6	966,732	4,810	961,922	1.27
2017	88.4	4.9	6.6	954,764	4,903	949,861	0.84
2016 ¹	88.8	4.7	6.5	947,317	5,347	941,970	(0.34)
2015	89.1	4.5	6.3	949,482	4,263	945,219	0.81

¹ Revaluation.

Source: Assessor's Office, Town of Middlebury.

Town of Southbury

Grand List of 10/1	Residential			Gross Taxable		Net Taxable	Percent Change
	Real Property (%)	Personal Property (%)	Motor Vehicle (%)	Grand List (000's)	Less Exemption (000's)	Grand List (000's)	
2024	86.8	4.9	8.3	\$ 2,908,302	\$ 22,748	\$ 2,885,554	(1.04)
2023	87.2	5.0	7.8	2,930,701	14,731	2,915,970	1.05
2022 ¹	87.4	4.4	8.2	2,908,302	22,748	2,885,554	29.23
2021	83.8	10.2	6.0	2,252,238	19,399	2,232,838	3.36
2020	85.9	8.2	5.9	2,179,791	19,485	2,160,305	0.52
2019	86.0	6.2	7.8	2,168,721	19,630	2,149,091	0.47
2018	87.0	5.4	7.6	2,158,812	19,851	2,138,961	0.80
2017 ¹	86.7	5.7	6.6	2,141,647	19,621	2,122,027	(0.41)
2016	87.7	5.0	6.5	2,149,379	18,689	2,130,689	0.45
2015	87.0	5.8	6.3	2,142,003	20,817	2,121,186	0.04

¹ Revaluation.

Source: Assessor's Office, Town of Southbury.

Connecticut General Statutes Section 12-81(72) exempts new manufacturing equipment from property taxation by municipalities. The State of Connecticut will directly reimburse the Member Towns for 100% of the foregone taxes.

Property Tax Levies and Collections

Town of Middlebury

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 End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/2025
2024	2026 ²	\$ 1,199,441	32.52	\$ 39,005,810	IN COLLECTION		
2023	2025	1,195,627	32.60	39,227,604	99.01%	0.99%	0.99%
2022	2024	1,186,622	32.26	38,452,613	98.99%	1.01%	0.00%
2021 ¹	2023	1,169,610	31.26	36,987,845	99.26%	0.74%	0.00%
2020	2022	987,655	34.83	34,688,322	99.30%	0.70%	0.00%
2019	2021	972,444	35.10	34,347,113	99.06%	0.94%	0.00%
2018	2020	961,922	33.40	32,128,000	99.20%	0.80%	0.00%
2017	2019	949,861	32.51	30,880,000	99.23%	0.77%	0.00%
2016 ¹	2018	941,970	31.49	29,586,000	98.39%	1.61%	0.00%
2015	2017	945,219	31.01	29,507,000	98.39%	1.61%	0.00%

¹ Revaluation.

² Subject to audit.

Sources: Tax Collector's Office, Town of Middlebury.

Town of Southbury

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 End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/2025
2024	2026 ²	\$ 2,885,554	24.20	\$ 69,830,407	IN COLLECTION		
2023	2025	2,915,970	23.60	68,437,993	99.4%	0.60%	0.60%
2022 ¹	2024	2,885,554	22.50	64,426,486	99.4%	0.60%	0.39%
2021	2023	2,232,838	28.60	63,854,219	99.2%	0.80%	0.08%
2020	2022	2,160,305	29.30	63,555,426	99.3%	0.70%	0.07%
2019	2021	2,149,091	29.30	62,955,473	99.3%	0.70%	0.04%
2018	2020	2,138,961	29.10	62,486,063	99.2%	0.80%	0.02%
2017 ¹	2019	2,122,027	29.00	61,562,941	99.2%	0.80%	0.02%
2016	2018	2,130,689	29.30	62,390,623	99.1%	0.90%	0.02%
2015	2017	2,121,186	28.80	61,139,258	99.2%	0.80%	0.02%

¹ Revaluation.

² Subject to audit.

Sources: Tax Collector's Office, Town of Southbury.

Property Taxes Receivable

Town of Middlebury

Fiscal Year Ending 6/30	Current Year Levy Uncollected	Total Uncollected (Current & Prior Years)
2025	\$ 409,366	\$ 883,987
2024	388,581	647,030
2023	274,431	597,186
2022	248,993	727,615
2021	321,381	859,187

Source: Annual Audit Reports, Town of Middlebury.

Town of Southbury

Fiscal Year Ending 6/30	Current Year Levy Uncollected	Total Uncollected (Current & Prior Years)
2025	\$ 381,234	\$ 689,684
2024	470,127	809,788
2023	527,133	874,529
2022	437,383	644,214
2021	427,752	715,175

Source: Annual Audit Reports, Town of Southbury.

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Ten Largest Taxpayers

Town of Middlebury

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List ¹
Connecticut Light & Power Co.....	Utility	\$ 22,094,720	1.84%
Olymbec Preston Park LP	Real Estate	12,716,400	1.06%
Middlebury Edge LLC.....	Real Estate	8,222,860	0.69%
Crossroads Middlebury LLC.....	Real Estate	6,528,500	0.54%
Southford Park LLC.....	Real Estate	6,497,800	0.54%
Connecticut Water Company.....	Utility	6,255,200	0.52%
Yankee Gas Services Co.	Utility	4,598,920	0.38%
1579 Straits Turnpike LLC.....	Real Estate	4,441,100	0.37%
Boch Middlebury-Waterbury LLC.....	Real Estate	4,358,600	0.36%
Midex LLC.....	Real Estate	4,307,300	0.36%
Total.....		\$ 80,021,400	6.67%

¹ Based on October 1, 2024 Net Taxable Grand List of \$1,199,440,640.

Source: Assessor's Office, Town of Middlebury.

Town of Southbury

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List ¹
Eversource.....	Utility	\$ 49,852,340	1.73%
Kettletown, LLC.....	IBM Property	49,620,790	1.72%
Southbury 84 Assoc. Limited Partnership...	Commercial Real Estate	24,161,320	0.84%
Southaven Associates LLC.....	Southbury Plaza	20,538,880	0.71%
Firstlight Hydro Generating Company.....	Hydro Electricity Generating	14,498,940	0.50%
NHI Reit of Axel LLC.....	Real Estate	13,477,450	0.47%
Heritage Village Water Company.....	Utility	12,639,240	0.44%
Health Care Reit Inc.....	Life Care Center	12,580,370	0.44%
Pomperaug Woods, Inc.....	Life Care Center	12,155,690	0.42%
IBM.....	Technology Company	7,726,940	0.27%
Total.....		\$ 217,251,960	7.53%

¹ Based on October 1, 2024 Net Taxable Grand List of \$2,885,554,000.

Source: Assessor's Office, Town of Southbury.

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V. Debt Summary

**Principal Amount of Bonded Indebtedness (the "District")
As of January 23, 2026
(Pro Forma)**

Long-Term Debt			Amount of	Amount	Fiscal
Dated	Purpose	Rate %	Original Issue	Outstanding	Year of Maturity
<u>This Issue</u>					
2026	Schools	<i>tbd</i>	\$ 10,525,000	\$ 10,525,000	2048
Sub-Total			\$ 10,525,000	\$ 10,525,000	
Grand Total			\$ 10,525,000	\$ 10,525,000	

**Short-Term Debt
As of January 23, 2026
(Pro Forma)**

As of the date of this Official Statement, the District has no outstanding short-term debt.

Other Long-Term Commitments

See note #6 - "Capital Lease" in Appendix A "Notes to General Purpose Financial Statements."

**Overlapping/Underlying Debt
As of January 23, 2026
(Pro Forma)**

The following table of jurisdictions with overlapping district boundaries is based upon information received by the District and its Member Towns from sources specified below. The table does not reflect authorized but unissued indebtedness of those jurisdictions. The District has not assumed responsibility to verify this information.

Overlapping Debt: The District has no overlapping debt.

Underlying Debt: The following municipalities, municipal subdivisions, or Special Tax Districts have the authority to issue tax exempt debt which constitutes underlying debt for analytical but not legal, purposes of Regional School District No. 15.

Issuer	Debt Outstanding
Town of Middlebury	\$13,515,000
Town of Southbury	8,520,000
Total	\$22,035,000

Source: Towns Audits.

**Principal Amount of Bonded Indebtedness
As of January 23, 2026
(Pro Forma)**

Town of Middlebury

Long-Term Debt			Amount of		Fiscal
Date	Purpose	Rate %	Original Issue	Amount Outstanding	Year of Maturity
2018	General Purpose	3.00-4.00	\$ 6,950,000	\$ 4,850,000	2040
2020	General Purpose - Series A	1.00-3.00	5,553,680	4,381,200	2041
2020	Sewer - Series A	1.00-3.00	3,351,320	2,643,800	2041
2020	Sewer - Refunding - Series B ...	2.00-4.00	2,490,000	1,640,000	2033
Total.....			\$ 18,345,000	\$ 13,515,000	

**Short-Term Debt
As of January 23, 2026
(Pro Forma)**

As of the date of this Official Statement, the Town of Middlebury has no outstanding short-term debt.

Other Long-Term Commitments

See note #6 - "Lease" in Appendix B "Notes to General Purpose Financial Statements (Town of Middlebury)."

**Overlapping/Underlying Debt
As of January 23, 2026
(Pro Forma)**

Overlapping

The Town of Middlebury is a Member Town along with the Town of Southbury in the District. Accordingly, the outstanding debt of the District is shared proportionately by each Member Town. Based on school enrollment numbers as of October 1, 2025, Middlebury's share is 33.2%. Total District debt totals \$10,525,000. Each Member Town's gross share of the debt is as follows:

Entity	Debt Amount
Middlebury (33.2%)	\$ 3,494,300
Southbury (66.8%)	7,030,700
Total District Debt.....	\$ 10,525,000

Underlying

The Town of Middlebury has no underlying debt.

**Principal Amount of Bonded Indebtedness
As of January 23, 2026
(Pro Forma)**

Town of Southbury

As of the date of this Official Statement, the Town of Southbury has no outstanding long-term debt.

**Short-Term Debt
As of January 23, 2026
(Pro Forma)**

<i>Project</i>	<i>Aggregate Amount Authorized</i>	<i>Outstanding Notes Due: 7/7/26</i>
Storm Damage 2024 Project	\$ 8,520,000	\$ 8,520,000
Total	\$ 8,520,000	\$ 8,520,000

**Overlapping/Underlying Debt
As of January 23, 2026
(Pro Forma)**

Overlapping

The Town of Southbury is a Member Town along with the Town of Middlebury in the District. Accordingly, the outstanding debt of the District is shared proportionately by each Member Town. Based on school enrollment numbers as of October 1, 2025, Southbury's share is 66.8%. Total District debt totals \$10,525,000. Each Member Town's gross share of the debt is as follows:

<i>Entity</i>	<i>Debt Amount</i>
Middlebury (33.2%)	\$ 3,494,300
Southbury (66.8%)	7,030,700
Total District Debt.....	\$ 10,525,000

Underlying

The Town of Southbury has no underlying debt.

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**Annual Long-Term Bonded Debt Service
As of January 23, 2026
(Pro Forma)**

Regional School District No. 15

Fiscal Year Ended 6/30	Principal Payments	Interest Payments	Total Payments	This Issue: The Bonds	Total Principal	Cumulative Principal Retired %
2026	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2027	-	-	-	-	-	0.00%
2028	-	-	-	505,000	505,000	4.80%
2029	-	-	-	505,000	505,000	9.60%
2030	-	-	-	505,000	505,000	14.39%
2031	-	-	-	505,000	505,000	19.19%
2032	-	-	-	505,000	505,000	23.99%
2033	-	-	-	500,000	500,000	28.74%
2034	-	-	-	500,000	500,000	33.49%
2035	-	-	-	500,000	500,000	38.24%
2036	-	-	-	500,000	500,000	42.99%
2037	-	-	-	500,000	500,000	47.74%
2038	-	-	-	500,000	500,000	52.49%
2039	-	-	-	500,000	500,000	57.24%
2040	-	-	-	500,000	500,000	62.00%
2041	-	-	-	500,000	500,000	66.75%
2042	-	-	-	500,000	500,000	71.50%
2043	-	-	-	500,000	500,000	76.25%
2044	-	-	-	500,000	500,000	81.00%
2045	-	-	-	500,000	500,000	85.75%
2046	-	-	-	500,000	500,000	90.50%
2047	-	-	-	500,000	500,000	95.25%
2048	-	-	-	500,000	500,000	100.00%
Total.....	\$ -	\$ -	\$ -	\$ 10,525,000	\$ 10,525,000	

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**Annual Long-Term Bonded Debt Service
As of January 23, 2026
(Pro Forma)**

Town of Middlebury

Fiscal Year Ended 6/30	Principal Payments	Interest Payments	Total Payments	Cumulative Principal Retired %
2026 ¹	\$ 180,000	\$ 170,131	\$ 350,131	2.21%
2027	1,005,000	320,763	1,325,763	10.58%
2028	1,015,000	288,763	1,303,763	18.81%
2029	1,020,000	256,363	1,276,363	26.87%
2030	1,030,000	223,763	1,253,763	34.78%
2031	1,030,000	195,538	1,225,538	42.52%
2032	1,040,000	173,744	1,213,744	50.18%
2033	1,045,000	153,313	1,198,313	57.74%
2034	815,000	132,194	947,194	63.72%
2035	815,000	114,872	929,872	69.59%
2036	815,000	97,041	912,041	75.35%
2037	810,000	78,741	888,741	80.96%
2038	810,000	59,250	869,250	86.45%
2039	810,000	39,038	849,038	91.81%
2040	810,000	18,825	828,825	97.04%
2041	465,000	4,359	469,359	100.00%
Total.....	\$ 13,515,000	\$ 2,326,698	\$ 15,841,698	

¹ Excludes \$820,000 in principal payments and \$184,181 in interest payments from July 1, 2025 through January 23, 2026.

**Annual Long-Term Bonded Debt Service
As of January 23, 2026
(Pro Forma)**

Town of Southbury

As of the date of this Official Statement, the Town of Southbury has no outstanding long-term debt.

Debt Statement
As of January 23, 2026
(Pro Forma)

Regional School District No. 15

Long-Term Debt:

Schools (Includes This Issue).....	\$ 10,525,000
Total Long-Term Debt	10,525,000
Short-Term Debt Outstanding	-
Total Direct Debt	10,525,000
Less: School Construction Grants Receivable (6/30/25)	-
Total Net Direct Debt	10,525,000
Underlying Debt (Bonds and Notes):	
Town of Middlebury	13,515,000
Town of Southbury	8,520,000
Total Overall Net Debt	\$ 32,560,000

Current Debt Ratios
As of January 23, 2026
(Pro-Forma)

Population ¹	27,709
Net Taxable Grand List at 70% of Full Value (10/1/24)	\$ 4,084,994,640
Estimated Full Value	\$ 5,835,706,629
Equalized Net Taxable Grand List (10/1/23) ²	\$ 6,921,539,182
Money Income per Capita (2023) ¹	\$ 62,096

	Total	
	Direct Debt /	Total Overall
	Net Direct Debt	Net Debt
	\$10,525,000	\$32,560,000
Debt per Capita.....	\$379.84	\$1,175.07
Ratio to Net Taxable Grand List.....	0.26%	0.80%
Ratio to Estimated Full Value.....	0.18%	0.56%
Ratio to Equalized Grand List.....	0.15%	0.47%
Debt per Capita to Money Income per Capita.....	0.61%	1.89%

¹ American Community Survey 2019-2023.

² Office of Policy and Management, State of Connecticut.

Debt Statement
As of January 23, 2026
(Pro Forma)

Member Towns

	Town of Middlebury	Town of Southbury
Long-Term Debt Outstanding	\$ 13,515,000	\$ -
Short-Term Debt	-	8,520,000
Total Direct Debt	13,515,000	8,520,000
Less: School Construction Grants Receivable (As of June 30, 2025) ¹	-	-
Total Direct Net Debt	13,515,000	8,520,000
Overlapping/Underlying Debt:		
Regional School District No. 15:		
Middlebury (33.2%) ²	3,494,300	-
Southbury (66.8%) ²	-	7,030,700
Total Overall Net Debt	\$ 17,009,300	\$ 15,550,700

¹ The State of Connecticut will reimburse the Towns and District for eligible principal and interest costs over the life of bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School construction grants receivable stated above are for principal reimbursement only.

² This represents each Member Town's gross share of the District's outstanding long-term and short-term debt.

Current Debt Ratios
As of January 23, 2026
(Pro Forma)

	Town of Middlebury	Town of Southbury
Population ¹	7,736	19,973
Net Taxable Grand List (10/1/24).....	\$ 1,199,440,640	\$ 2,885,554,000
Estimated Full Value.....	\$ 1,713,486,629	\$ 4,122,220,000
Equalized Net Taxable Grand List (10/1/23) ²	\$ 2,131,015,022	\$ 4,790,524,160
Money Income per Capita (2023) ¹	\$ 58,423	\$ 65,768

	Town of Middlebury		Town of Southbury	
	Total		Total	
	Direct Debt / Net Direct Debt	Total Overall Net Debt	Direct Debt / Net Direct Debt	Total Overall Net Debt
	\$13,515,000	\$17,009,300	\$8,520,000	\$15,550,700
Debt per Capita.....	\$1,747.03	\$2,198.72	\$426.58	\$778.59
Ratio to Net Taxable Grand List.....	1.13%	1.42%	0.30%	0.54%
Ratio to Estimated Full Value.....	0.79%	0.99%	0.21%	0.38%
Ratio to Equalized Grand List.....	0.63%	0.80%	0.18%	0.32%
Debt per Capita to Money Income per Capita...	2.99%	3.76%	0.65%	1.18%

¹ American Community Survey 2019-2023.

² Office of Policy and Management, State of Connecticut.

Bond Authorization

The Connecticut General Statutes provide for regional school districts to authorize general obligation bonds, notes, or other obligations under resolutions adopted by the regional board of education following a public hearing and a referendum simultaneously approved in each of the district member towns. The question is approved by the affirmative vote of a majority of those persons voting in the district as a whole.

In addition to the power to issue bonds, the District may, when authorized by a District meeting (CGS 10-60), borrow money and issue obligations for a term not exceeding ten years in amounts not exceeding five hundred thousand dollars in the aggregate at any time.

Maturities

Except for refunding bonds, notes, or other obligations, general obligation (serial or term) bonds are required to be payable in maturities wherein a succeeding maturity may not exceed any prior maturity by more than 50%, or aggregate annual principal and interest payments must be substantially equal. Pursuant to state law all bonds issued on or after July 1, 2017, including sewer and school bonds, shall be due not later than thirty years from the date of their issuance.

Temporary Financing

When general obligation bonds have been authorized by the District, bond anticipation notes may be issued for a period, not to exceed ten years from their original date of issue as long as all project grant payments are applied toward project cost or payment of temporary notes when they become due and payable, and the principal reductions are made no later than the fifth year and for each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th, or for certain school project financings, 1/30th, of the estimated project cost (CGS Sections 10-56 and 7-378a). The term of any bonds issued shall be reduced by the amount of time temporary financing exceeds four years.

Limitation of Indebtedness – Regional School Districts

The Connecticut General Statutes provide that the aggregate indebtedness of a regional school district shall not exceed: (1) for a district empowered to provide for the member towns a full K - 12 program, 4.5 times the annual receipts from taxation of its member towns for the prior fiscal year, and (2) for a district providing less than a K - 12 program, 2.25 times the "annual receipts from taxation" of its member towns for the prior fiscal year. A regional school district may issue additional bonds, notes, or other obligations in an amount not to exceed 3.5 times its members towns' annual receipts from taxation less the member towns' aggregate indebtedness. In computing the aggregate indebtedness of a regional school district, excluded is debt issued in anticipation of the receipt of: (1) State or member town payments for the operation of the district's schools, (2) State or federal grant proceeds for which the district has received a written commitment or for which an allocation has been approved by the State Bond Commission, and (3) the proceeds from contracts with the State, a State agency, or another municipality providing for the reimbursement of capital costs, but only to the extent such debt can be paid from such proceeds.

"Annual receipts from taxation" are defined as total tax collections of the member towns (including interest, penalties, late payments of taxes, and State payments for revenue loss under CGS Sec. 12-129d and 7-528). The statutes also provide for exclusion from the debt limitation upon placement in escrow of the proceeds of a refunding obligation or other funds in an amount sufficient to provide for the payment when due the principal of and interest on such debt.

Limitation of Indebtedness - Municipalities

Municipalities shall not incur indebtedness through the issuance of notes or bonds that 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
Pension Benefit Purposes: 3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed 7 times the annual receipts from taxation.

Annual receipts from taxation, (the "Base"), are defined as total tax collections including interest, penalties, late payment of taxes, and state payments for revenue loss under Connecticut General Statutes Sections 12-129d and 7-528.

Section 7-374 of the Connecticut General Statutes also provides for exclusion from the debt limitation calculation debt: (i) issued in anticipation of taxes; (ii) issued for the supply of water, for the supply of gas, for the supply of electricity, for electric demand response, for conservation and load management, for distributed generation, for 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 which have been levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from any state or federal grant for which the town or municipality has received a written commitment or for which an allocation has been approved by the State Bond Commission or from a contract with the state, a state agency or another municipality providing for the reimbursement of capital costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for water pollution control projects in order to meet the requirements of an abatement order of the Commissioner of the Department of Energy and Environmental Protection, provided the municipality files a certificate signed by its chief fiscal officer with the commissioner demonstrating to the satisfaction of the commissioner that the municipality has a plan for levying a system of charges, assessments or other revenues which are sufficient, together with other available funds of the municipality, to repay such obligations as the same become due and payable; and (vi) upon placement in escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient, together with such investment earnings thereon as are to be retained in said escrow, to provide for the payment when due of the principal of and interest on such bond, note or other evidence of indebtedness.

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**Statement of Statutory Debt Limitation
As of January 23, 2026
(Pro Forma)**

Regional School District No. 15

Total Tax Collections for Middlebury & Southbury (including interest and lien fees)	
For the year ended June 30, 2025	\$ 108,316,049
Reimbursement For Revenue Loss:	
Tax relief for elderly	-
Base for Debt Limitation Computation	<u>\$ 108,316,049</u>
 Debt Limitation:	
	<u>Schools</u>
2 1/4 times base.....	\$ 243,711,110
 Indebtedness:	
Bonds Outstanding.....	\$ -
Bonds – This Issue.....	10,525,000
Notes	-
Debt Authorized But Unissued	-
Total Indebtedness	<u>\$ 10,525,000</u>
Less:	
State School Grants Receivable ¹	\$ -
Total Net Indebtedness	<u>\$ 10,525,000</u>
 DEBT LIMITATION IN EXCESS	
OF OUTSTANDING INDEBTEDNESS	<u><u>\$ 233,186,110</u></u>

¹ The State of Connecticut will reimburse municipalities for eligible principal and interest costs over the life of bonds issued for projects authorized by the General Assembly prior to July 1, 1996. Since any school construction grants received by the District are returned to the Member Towns, they are not reflected as deductions in the computation of net indebtedness.

**REGIONAL SCHOOL DISTRICT NO. 15 HAS NEVER DEFAULTED IN THE PAYMENT
OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.**

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**Statement of Statutory Debt Limitation
As of January 23, 2026
(Pro Forma)**

Town of Middlebury

Total Tax Collections (including interest and lien fees)

For the year ended June 30, 2025 \$ 39,028,248

Reimbursement For Revenue Loss:

Tax relief for elderly -

Base for Debt Limitation Computation..... \$ 39,028,248

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 1/4 times base.....	\$ 87,813,558	-	-	-	-
4 1/2 times base.....	-	\$ 175,627,116	-	-	-
3 3/4 times base.....	-	-	\$ 146,355,930	-	-
3 1/4 times base.....	-	-	-	\$ 126,841,806	-
3 times base.....	-	-	-	-	\$ 117,084,744
Total Debt Limitation	\$ 87,813,558	\$ 175,627,116	\$ 146,355,930	\$ 126,841,806	\$ 117,084,744

Indebtedness:

Bonds Outstanding.....	\$ 9,231,200	\$ -	\$ 4,283,800	\$ -	\$ -
Notes Outstanding.....	-	-	-	-	-
Net Overlapping Debt (Share of RSD #15 Debt)....	-	3,494,300	-	-	-
Debt Authorized But Unissued.....	-	-	-	-	-
Total Indebtedness	9,231,200	3,494,300	4,283,800	-	-

Less:

State School Grants Receivable ¹..... -

Total Net Indebtedness..... 9,231,200 3,494,300 4,283,800 - -

DEBT LIMITATION IN EXCESS

OF OUTSTANDING INDEBTEDNESS..... \$ 78,582,358 \$ 172,132,816 \$ 142,072,130 \$ 126,841,806 \$ 117,084,744

¹ The State of Connecticut will reimburse the Town for eligible principal and interest costs over the life of bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School construction grants receivable stated above are for principal reimbursement only.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$273,197,736.

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

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**Statement of Statutory Debt Limitation
As of January 23, 2026
(Pro Forma)**

Town of Southbury

Total Tax Collections (including interest and lien fees)

For the year ended June 30, 2025 \$ 69,287,801

Reimbursement For Revenue Loss:

Tax relief for elderly -

Base for Debt Limitation Computation..... \$ 69,287,801

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 1/4 times base.....	\$ 155,897,552	-	-	-	-
4 1/2 times base.....	-	\$ 311,795,105	-	-	-
3 3/4 times base.....	-	-	\$ 259,829,254	-	-
3 1/4 times base.....	-	-	-	\$ 225,185,353	-
3 times base.....	-	-	-	-	\$ 207,863,403
Total Debt Limitation	\$ 155,897,552	\$ 311,795,105	\$ 259,829,254	\$ 225,185,353	\$ 207,863,403

Indebtedness:

Bonds Outstanding.....	\$ -	\$ -	\$ -	\$ -	\$ -
Notes Outstanding.....	8,520,000	-	-	-	-
Net Overlapping Debt (Share of RSD #15 Debt)...	-	7,030,700	-	-	-
Underlying Debt.....	-	-	-	-	-
Debt Authorized But Unissued.....	-	-	-	-	-
Total Indebtedness	8,520,000	7,030,700	-	-	-
Less:					
State School Grants Receivable ¹	-	-	-	-	-
Total Net Indebtedness	8,520,000	7,030,700	-	-	-

DEBT LIMITATION IN EXCESS

OF OUTSTANDING INDEBTEDNESS..... \$ 147,377,552 \$ 304,764,405 \$ 259,829,254 \$ 225,185,353 \$ 207,863,403

¹ The State of Connecticut will reimburse the Town for eligible principal and interest costs over the life of bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School construction grants receivable stated above are for principal reimbursement only.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$485,014,607.

**THE TOWN OF SOUTHBURY HAS NEVER DEFAULTED ON THE PAYMENT OF
PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.**

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**Authorized but Unissued Debt
As of January 23, 2026
(Pro Forma)**

Regional School District No. 15

Project	Aggregate Amount Authorized	Maturing Notes Due: 1/23/26	Expected Grants	Additions / (Reductions)	This Issue: The Bonds	Authorized but Unissued
2023 Capital Improvements	\$ 11,275,000	\$ 10,275,000	\$ 750,000	\$ 250,000	\$ 10,525,000	\$ -
Total	\$ 11,275,000	\$ 10,275,000	\$ 750,000	\$ 250,000	\$ 10,525,000	\$ -

Town of Middlebury

As of January 23, 2026, the Town of Middlebury does not have any authorized but unissued debt.

Town of Southbury

As of January 23, 2026, the Town of Southbury does not have any authorized but unissued debt.

**Principal Amount of Outstanding Debt
Last Five Fiscal Years**

Regional School District No. 15

Long-Term Debt	2025	2024	2023	2022	2021
Bonds	\$ -	\$ 805,000	\$ 1,715,000	\$ 3,265,000	\$ 4,860,000
Short-Term Debt					
Bond Anticipation Notes.....	10,275,000	-	-	-	-
Totals	\$ 10,275,000	\$ 805,000	\$ 1,715,000	\$ 3,265,000	\$ 4,860,000

Town of Middlebury

Long-Term Debt	2025	2024	2023	2022	2021
Bonds	\$ 14,335,000	\$ 15,325,000	\$ 16,310,000	\$ 17,605,000	\$ 18,425,000
Short-Term Debt					
Bond Anticipation Notes.....	-	-	-	-	-
Totals	\$ 14,335,000	\$ 15,325,000	\$ 16,310,000	\$ 17,605,000	\$ 18,425,000

Town of Southbury

Long-Term Debt	2025	2024	2023	2022	2021
Bonds	\$ -	\$ -	\$ 260,000	\$ 1,025,000	\$ 1,800,000
Short-Term Debt					
Bond Anticipation Notes.....	-	-	-	-	-
Totals	\$ -	\$ -	\$ 260,000	\$ 1,025,000	\$ 1,800,000

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

Regional School District No. 15

Fiscal Year Ended 6/30	Net		Net Long-Term Debt (000s)	Ratio of Net Long-Term Debt to Estimated Full		Population ³	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Income ⁴ (%)
	Assessed Value ¹ (000s)	Estimated Full Value ² (000s)		Assessed Value (%)	Full Value (%)			
2025	\$ 4,111,597	\$ 5,873,710	\$ -	0.00%	0.00%	27,709	\$ -	0.00%
2024	4,072,176	5,817,394	805	0.02%	0.01%	27,709	29	0.05%
2023	3,402,448	4,860,640	1,715	0.05%	0.04%	27,709	62	0.10%
2022	3,147,960	4,497,086	3,265	0.10%	0.07%	27,709	118	0.19%
2021	3,121,535	4,459,336	4,860	0.16%	0.11%	27,709	175	0.28%

¹ Combined Net Taxable Grand Lists of Towns of Middlebury and Southbury.

² Assessment Ratio, 70%.

³ Combined data from the State of Connecticut, Department of Public Health Estimates.

⁴ Money Income per Capita (Average for Middlebury & Southbury): Census, ACS 2019-2023 data: \$62,096 used for all calculations.

Town of Middlebury

Fiscal Year Ended 6/30	Net		Net Long-Term Debt (000s)	Ratio of Net Long-Term Debt to Estimated Full		Population ²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Income ³ (%)
	Assessed Value (000s)	Estimated Full Value ¹ (000s)		Assessed Value (%)	Full Value (%)			
2025	\$ 1,195,627	\$ 1,708,039	\$ 14,335	1.20%	0.84%	7,736	\$ 1,853	3.17%
2024	1,186,622	1,695,174	15,325	1.29%	0.90%	7,736	1,981	3.39%
2023	1,169,610	1,670,871	16,310	1.39%	0.98%	7,736	2,108	3.61%
2022	987,655	1,410,936	17,605	1.78%	1.25%	7,736	2,276	3.90%
2021	972,444	1,389,206	18,425	1.89%	1.33%	7,736	2,382	4.08%

¹ Assessment Ratio, 70%.

² American Community Survey 2019-2023.

³ Money Income per Capita: American Community Survey 2019-2023 data: \$58,423 used for all calculations.

Town of Southbury

Fiscal Year Ended 6/30	Net		Net Long-Term Debt (000s) ¹	Ratio of Net Long-Term Debt to Estimated Full		Population ²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Income ³ (%)
	Assessed Value (000s)	Estimated Full Value (000s)		Assessed Value (%)	Full Value (%)			
2025	\$ 2,915,970	\$ 4,165,671	\$ -	0.00%	0.00%	19,973	\$ -	0.00%
2024	2,885,554	4,122,220	-	0.00%	0.00%	19,973	-	0.00%
2023	2,232,838	3,189,769	260	0.01%	0.01%	19,973	13	0.02%
2022	2,160,305	3,086,151	1,025	0.05%	0.03%	19,973	51	0.08%
2021	2,149,091	3,070,130	1,800	0.08%	0.06%	19,973	90	0.14%

¹ Assessment Ratio, 70%.

² American Community Survey 2019-2023.

³ Money Income per Capita: American Community Survey 2019-2023 data: \$65,768 used for all calculations.

**Ratios of Annual Long-Term General Fund Debt Service Expenditures
To Total General Fund Expenditures (including transfers out)**

Regional School District No. 15

Fiscal Year Ended 6/30	Ratio of General Fund Debt Service To Total General Fund Expenditures		
	Total Debt Service	Total General Fund Expenditures ¹	
2025	\$ -	\$ 103,593,370	0.00%
2024	926,128	97,423,052	0.95%
2023	1,581,872	95,412,506	1.66%
2022	1,647,000	84,819,852	1.94%
2021	1,688,800	94,349,247	1.79%
2020	1,815,843	89,987,831	2.02%

¹ GAAP basis of accounting. Includes Transfers out.

Note: Debt Service is paid out of the District's Debt Service Fund.

Source: Annual Audited Financial Statements, 2021-2025.

Town of Middlebury

Fiscal Year Ended 6/30	Ratio of General Fund Debt Service To Total General Fund Expenditures		
	Total Debt Service	Total General Fund Expenditures ¹	
2025	\$ 912,977	\$ 44,512,736	2.05%
2024	935,770	42,104,897	2.22%
2023	1,190,584	39,007,172	3.05%
2022	922,780	36,800,304	2.51%
2021	885,559	36,405,825	2.43%

¹ GAAP basis of accounting. Includes Transfers out.

Source: Annual Audited Financial Statements, 2021-2025.

Town of Southbury

Fiscal Year Ended 6/30	Ratio of General Fund Debt Service To Total General Fund Expenditures		
	Total Debt Service	Total General Fund Expenditures ¹	
2025	\$ -	\$ 85,383,689	0.00%
2024	267,800	76,703,381	0.35%
2023	789,813	74,972,039	1.05%
2022	825,750	70,881,981	1.16%
2021	862,850	69,020,555	1.25%

¹ GAAP basis of accounting. Includes Transfers out.

Source: Annual Audited Financial Statements, 2021-2025.

VI. Financial Administration

Fiscal Year

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

Summary of Accounting Principles

The District's accounting system is organized on a fund basis and uses funds and account groups to report on its financial position and results of operations. The District's accounting records are maintained on a modified accrual basis, with major revenues recorded when earned and expenditures recorded when incurred. The accounting policies of the District conform to generally accepted accounting principles as applied to governmental units. See Appendix A – "Auditor's Section, Notes to Financial Statements" herein.

Annual Audit

Regional School District Number 15, in accordance with the provisions of Chapter 111 of the Connecticut General Statutes, employs the services of an independent CPA firm to audit its financial records annually. The annual audits are conducted in compliance with Public Act 77-611 and contain the financial statements of the District and the auditor's opinion thereon, in addition to specific comments and recommendations.

Budget Procedure

The Regional School District Number 15 Board of Education ("Board") is the budget-making authority for the District. The following calendar outlines the sequence of events required to adopt a budget:

By mid-December of each year, the cost centers submit requests for appropriations to the Regional School Board Central Office administration so that the General Fund budget can be prepared.

By late February, the proposed budget is presented to the Board for review. By early April the proposed budget is reviewed and adopted by the Board to be presented at the annual public budget hearing.

Not less than two weeks before the annual meeting held pursuant to Section 10-47, the Board holds a public District Meeting to present a proposed budget for the fiscal year. Any person may recommend the inclusion or deletion of expenditures at such time. After the public hearing, the Board prepares an annual budget for the fiscal year. At the annual meeting on the first Monday in May, the Board presents a budget which includes a statement of (1) estimated receipts and expenditures for the fiscal year, (2) estimated receipts and expenditures for the prior fiscal year, (3) estimated surplus or deficit in operating funds at the end of the prior fiscal year, (4) bonded or other debt, (5) estimated per-pupil expenditure for the prior and for the next fiscal year, and (6) such other information as is necessary in the opinion of the Board. Persons present and eligible to vote under Section 7-6 accept the proposed budget. The Board may, in the call to the meeting, designate that the vote on the motion to adopt a budget shall be by paper ballots at the District Meeting held on the budget or by a "yes" or "no" vote on the voting machines in each of the member Towns on the day following the District Meeting. After budget approval, the Board shall estimate the net expenses to be paid by each member Town.

Upon the approval of a majority of members on the Board, the Board may create a reserve fund to finance a specific capital improvement or the acquisition of any specific piece of equipment not exceeding one percent of the annual District budget.

The budget for the General Fund is prepared substantially on the modified accrual basis. Encumbrances, commitments related to unperformed contracts for goods or services, 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 reflected in the budgetary reports as expenditures in the current year.

Pension Plans

Regional School District Number 15

All teachers and certified administrators employed by Regional School District Number 15 (the “District”) participate in a contributory defined benefit plan (the “Benefit Plan”) established under Chapter 167a of the Connecticut General Statutes which is administered by the Connecticut State Teachers’ Retirement Board. Certain part-time and all full-time certified teachers are eligible to participate in the Benefit Plan and are required to contribute 8% of their annual earnings to the Benefit Plan. The retirement system is funded by the State based on the recommendation of the Teachers’ Retirement Board. Such contribution includes amortization of the actuarially computed unfunded liability. The District does not and is not legally responsible to contribute to the Benefit Plan.

All full-time non-certified District employees hired before 2019 are covered under a contributory single-employer defined benefit plan. Benefits and contributions are established by the District and may be amended only by the Board of Education. The District’s funding policy is to fund its pension contributions at actuarially determined rates sufficient to accumulate assets needed to pay benefits when due.

All full-time non certified employees hired after 2019 are covered under a defined contribution plan that the district contributes a set amount of the employees salary to a 401a. The percentage amount varies based on bargaining units and the salary of each employee.

Town of Middlebury

The Town of Middlebury is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide retirement, disability and death benefits for its employees. The PERS is considered to be part of the Town’s financial reporting entity and is included in the Town’s financial reports as a pension trust fund. There is no separate report for the pension plan available. The Town has the authority to establish and amend the plan.

The PERS covers full-time employees and any part-time employees who work in excess of 20 hours per week. A participant, excluding the exceptions listed below, is eligible for normal retirement at the age of 60 or completion of 10 years of service, but not later than age 65. Normal retirement for police department employees shall be age 47 and completion of 20 years of service, whichever comes later. Normal retirement for teamsters is the earliest of (a) “Rule of 80” combined years of age and service (minimum age 55), (b) age 60 with 10 years of service, or (c) age 65. The monthly benefit is 2% of the average monthly salary multiplied by the employee’s credited service not in excess of 30 years. Police department employees retiring after 20 years of service shall receive credit for 2.5% of the average pay per year of service for the first 20 years of service and 2% for each year of service over 20 years, but no more than 30 years. The plan contains additional provisions for early retirement at a reduced level of benefits and disability retirement benefits. Vesting occurs once an employee completes 10 years of service, except for police union personnel where vesting occurs at 5 years of service. As of July 1, 2011, the plan is closed to new participants.

Schedule of Contributions

	2024	2023	2022	2021	2020
Actuarially Determined Contribution	\$ 475,654	\$ 466,327	\$ 626,401	\$ 612,617	\$ 626,089
Contributions in relation to the					
Actuarially Determined Contribution ..	537,605	580,482	562,015	679,401	629,350
Contribution Deficiency (Excess)	\$ (61,951)	\$ (114,155)	\$ 64,386	\$ (66,784)	\$ (3,261)
Covered Employee Payroll	\$ 1,504,724	\$ 1,834,025	\$ 1,834,025	\$ 1,834,025	\$ 2,804,730
Contributions as a Percentage					
of Covered Employee Payroll	35.73%	31.65%	30.64%	37.04%	22.44%

The Town's net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The components of the net pension liability of the Town at June 30, 2025 were as follows:

Town of Middlebury Plan

Total Pension Liability at June 30, 2025.....	\$	24,521,714
Plan Fiduciary Net Position.....		<u>20,381,228</u>
Net Pension (Asset) Liability.....	\$	4,140,486
Plan Fiduciary Net Position as Percentage		
of Total Pension Liability.....		83.12%
Covered Payroll.....	\$	1,504,724
Net Pension Liability as a Percentage		
of Covered Payroll.....		275.17%

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 current discount rate, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current	1% Increase
	(5.75%)	Discount	(7.75%)
		(6.75%)	
Net Pension Liability	\$ 7,438,930	\$ 4,140,486	\$ 2,984,169

Town of Southbury

The Town of Southbury is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide retirement, disability, and death benefits for its employees. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund. The system was established by vote of the Board of Selectmen July 1, 1970.

Management of the plan rests with the IPOC, which consists of two representatives from the Board of Selectmen, two representatives from the Board of Finance, the Controller/Treasurer of the Town, two members of the Southbury Public Library Board of Directors and two members and one alternate member, appointed by the Board of Selectmen based on qualifications, who are residents of the Town

The Town of Southbury Retirement System covers substantially all employees working more than 20 hours a week. Participants who retire at normal retirement date are entitled to a monthly retirement benefit in an amount equal to 1.5% and 2.5% (police) of their average monthly earnings multiplied by years of service up to a maximum of 35 years. Average monthly compensation is the average salary over the 60 consecutive month period that provides the highest average (36 months for police). The plan also produces a preretirement death benefit. Participants become 100% vested on completing 5 years of vesting service. Normal retirement eligibility is later of age 50 and completing 20 years of service but not later than age 55 for police and the later of age 65 or 5 years for all others.

	2025	2024	2023	2022	2021
Actuarially Determined Contribution	\$ 617,764	\$ 475,654	\$ 466,327	\$ 626,401	\$ 612,617
Contributions in relation to the					
Actuarially Determined Contribution ..	<u>475,654</u>	<u>537,605</u>	<u>580,482</u>	<u>562,015</u>	<u>679,401</u>
Contribution Deficiency (Excess)	<u>\$ 142,110</u>	<u>\$ (61,951)</u>	<u>\$ (114,155)</u>	<u>\$ 64,386</u>	<u>\$ (66,784)</u>
Covered Employee Payroll	\$ 1,504,724	\$ 1,504,724	\$ 1,834,025	\$ 1,834,025	\$ 1,834,025
Contributions as a Percentage					
of Covered Employee Payroll	31.61%	35.73%	31.65%	30.64%	37.04%

The net pension liability is measured at June 30, 2025. The components of the net pension liability of the Town at June 30, 2025 were as follows:

<u>Town of Southbury Plan</u>	
Total Pension Liability at June 30, 2023.....	\$ 31,545,470
Plan Fiduciary Net Position.....	<u>30,247,108</u>
Net Pension (Asset) Liability.....	\$ 1,298,362
Plan Fiduciary Net Position as Percentage of Total Pension Liability.....	95.88%
Covered Payroll.....	\$ 3,531,484
Net Pension Liability as a Percentage of Covered Payroll.....	36.77%

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 current discount rate, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current	1% Increase
	(5.25%)	Discount Rate	(7.25%)
		(6.25%)	
Net Pension Liability	\$ 4,988,577	\$ 1,298,362	\$ (1,794,059)

Other Post-Employment Benefits

Regional School District Number 15

The District provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. Under this model the employee has the options to take the District’s plan but the full cost of the plan is at the employees expense. A bi-annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made June 30, 2003. The post-retirement plan does not issue stand-alone financial reports.

The District's annual other post-employment benefit (“OPEB”) cost is calculated based on the annual required contribution of the employer (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement 45. 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 past service cost) over a period not to exceed thirty years. The total OPEB liability as of June 30, 2025 is \$6,135,050.

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Town of Middlebury

The Town of Middlebury, in accordance with the various collective bargaining agreements, is required to provide health benefits to certain eligible retirees and/or their spouses. The Other Postemployment Benefit (OPEB) program covers most Town employees. Police officers are eligible for medical coverage upon retiring at age 60 with 10 years of service or after age 47 with 20 years of service. Other employees are eligible for medical coverage upon retiring at age 60 with 10 years of service. The contribution requirement of plan members and the Town are established and may be amended by the Town. The Town does not issue a separate stand-alone financial statement for this program. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The Town’s Total OPEB liability of \$7,513,227 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2022.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Total OPEB Liability</i>			
Service Cost.....	\$ 137,196	\$ 191,790	\$ 104,257
Interest on Total OPEB Liability.....	270,641	264,732	232,878
Changes in Benefit Terms.....	520,959	-	432,889
Difference Between Expected and Actual Experience.....	(490,667)	-	344,262
Changes in Assumptions.....	525,911	(390,417)	(166,327)
Benefit Payments, Including Refunds.....	(396,520)	(359,911)	(362,204)
Net Change in Total OPEB Liability.....	567,520	(293,806)	585,755
Total OPEB Liability - Beginning.....	6,945,707	7,239,513	6,653,758
Total OPEB Liability - Ending.....	<u>\$ 7,513,227</u>	<u>\$ 6,945,707</u>	<u>\$ 7,239,513</u>

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
	(4.20%)	(5.20%)	(6.20%)
Total OPEB Liability.....	\$ 8,468,773	\$ 7,513,227	\$ 6,729,079

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates

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

	Healthcare Cost Trend Rates		
	1% Decrease	Current	1% Increase
Total OPEB Liability.....	\$ 6,560,916	\$ 7,513,227	\$ 8,687,255

Town of Southbury

The Town of Southbury does not offer post-employment benefits to its retirees.

Compensated Absences

Employees are issued vacation days by various prescribed formulas based on union contracts. The District’s policy is to recognize these costs at the time payment is made. The amount of accumulated unpaid vacation as of June 30, 2025 is not significant; therefore, it is not reflected in the District’s financial statements.

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

Regional School District No. 15

	Adopted Budget ^{1,2} 6/30/2026	Estimated Actual ² 6/30/2025	Actual 6/30/2024	Actual 6/30/2023	Actual 6/30/2022	Actual 6/30/2021
Revenues:						
District Towns	\$ 90,952,524	\$ 87,166,501	\$ 82,367,967	\$ 77,744,062	\$ 74,794,466	\$ 72,864,222
Intergovernmental revenues	17,997,413	15,879,089	15,574,196	15,967,782	9,718,630	22,276,961
Investment income	280,000	321,798	294,428	59,982	3,927	6,499
Tuition	396,850	423,965	376,482	327,680	316,965	238,068
Parking and Activity Fees	-	-	-	-	-	-
Miscellaneous	8,170	104,194	77,970	10,292	3,818	39,569
Total.....	109,634,957	103,895,547	98,691,043	94,109,798	84,837,806	95,425,319
Expenditures:						
Salaries - Certified	38,329,143	37,414,303	35,961,324	34,879,304	33,528,396	32,480,024
Salaries - Classified	13,250,661	11,343,060	10,732,237	10,225,574	9,633,330	9,306,327
Employee Benefits	31,014,560	30,166,040	27,852,551	26,852,781	20,704,477	33,054,680
Instructional Programs	3,645,304	4,490,262	3,374,896	3,602,338	2,821,491	3,389,024
Tuition	6,342,901	5,073,663	6,315,809	5,974,749	5,216,940	4,326,673
Administration Services	1,453,386	1,098,920	1,123,274	1,157,356	874,528	864,999
Transportation	6,429,054	6,289,149	6,462,622	5,973,186	5,433,795	4,972,204
Plant Operation	5,620,945	5,385,043	4,479,122	4,890,496	4,819,178	3,427,876
Debt Service	950,657	-	-	-	-	-
Capital Outlay	-	177,265	195,089	152,726	-	-
Total.....	107,036,611	101,437,705	96,496,924	93,708,510	83,032,135	91,821,807
Excess (Deficiency) of Revenues Over Expenditures.....						
	2,598,346	2,457,842	2,194,119	401,288	1,805,671	3,603,512
Other financing sources (uses):						
Issuance of capital lease	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	(2,155,665)	(926,128)	(1,703,996)	(1,787,717)	(2,527,440)
Total Other financing sources (uses).....	-	(2,155,665)	(926,128)	(1,703,996)	(1,787,717)	(2,527,440)
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other financing uses....						
	N/A	302,177	1,267,991	(1,302,708)	17,954	1,076,072
Fund Equity, Beginning of Year.....	2,412,114	2,109,937 ³	1,074,671	2,377,379	2,359,425	1,283,353
Fund Equity, End of Year.....	N/A	\$ 2,412,114	\$ 2,342,662	\$ 1,074,671	\$ 2,377,379	\$ 2,359,425

¹ Budgetary basis.

² Subject to audit.

Analysis of General Fund Equity

	Adopted Budget ^{1,2} 6/30/2026	Estimated Actual ² 6/30/2025	Actual 6/30/2024	Actual 6/30/2023	Actual 6/30/2022	Actual 6/30/2021
Nonspendable.....	N/A	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted.....	N/A	-	-	-	-	-
Committed.....	N/A	-	232,725	-	-	-
Assigned.....	N/A	-	-	-	-	-
Unassigned.....	N/A	2,412,114	2,109,937	1,074,671	2,377,379	2,359,425
Total Fund Equity	N/A	\$ 2,412,114	\$ 2,342,662	\$ 1,074,671	\$ 2,377,379	\$ 2,359,425

¹ Budgetary basis.

² Subject to audit.

General Fund Revenues and Expenditures
Four Year Summary of Audited Revenues and Expenditures, (GAAP Basis)
and Current Budget (Budgetary Basis)

Town of Middlebury

	Adopted Budget ^{1,2} 6/30/2026	Actual 6/30/2025	Actual 6/30/2024	Actual 6/30/2023	Actual 6/30/2022
Revenues:					
Property Taxes	\$ 39,431,885	\$ 39,106,514	\$ 38,824,123	\$ 37,024,266	\$ 34,850,318
Intergovernmental	2,912,917	2,232,874	1,502,649	1,301,879	1,372,895
Charges for Services	1,770,700	1,270,496	1,142,873	1,029,410	1,264,393
Investment Income	550,000	605,105	737,169	476,166	21,297
Other	-	-	-	-	-
Total.....	44,665,502	43,214,989	42,206,814	39,831,721	37,508,903
Expenditures:					
General Government.....	4,847,048	4,859,150	4,530,009	4,082,834	3,909,781
Public Safety.....	3,014,581	2,883,562	2,641,965	2,578,008	2,463,101
Public Works.....	3,433,222	3,324,101	3,180,912	2,911,703	2,881,585
Health and Welfare	186,899	162,948	152,773	142,307	133,415
Parks and Recreation	462,183	386,221	380,558	395,889	350,543
Education	31,191,429	29,516,057	28,509,285	26,234,272	25,002,438
Library	501,707	421,885	422,777	364,162	367,945
Debt Service.....	890,183	912,977	935,770	1,190,584	922,780
Capital Outlay.....	138,250	149,263	145,277	20,417	157,813
Total.....	44,665,502	42,616,164	40,899,326	37,920,176	36,189,401
Excess (Deficiency) of Revenues Over Expenditures.....					
	-	598,825	1,307,488	1,911,545	1,319,502
Other financing sources (uses):					
Bond Premiums.....	-	-	-	-	-
Sale of Capital Assets.....	-	-	-	-	-
Operating Transfers In	-	262,915	272,176	258,303	348,470
Operating Transfers (Out)	-	(1,896,572)	(1,205,571)	(1,086,996)	(610,903)
Total Other financing sources (uses).....	-	(1,633,657)	(933,395)	(828,693)	(262,433)
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other financing uses.....					
	-	(1,034,832)	374,093	1,082,852	1,057,069
Fund Balance, Beginning of Year.....	6,646,174	7,681,006	7,306,913	6,224,061	5,166,992
Fund Balance, End of Year.....	N/A	\$ 6,646,174	\$ 7,681,006	\$ 7,306,913	\$ 6,224,061

¹ Budgetary basis.

² Subject to audit.

Analysis of General Fund Equity

	Adopted Budget ^{1,2} 6/30/2026	Actual 6/30/2025	Actual 6/30/2024	Actual 6/30/2023	Actual 6/30/2022
Nonspendable.....	N/A	\$ 320,145	\$ 1,551,265	\$ 1,454,431	\$ 1,066,928
Restricted.....	N/A	-	-	-	-
Committed.....	N/A	-	-	-	-
Assigned.....	N/A	-	-	112,287	112,287
Unassigned.....	N/A	6,326,029	6,129,741	5,740,195	5,044,846
Total Fund Equity	N/A	\$ 6,646,174	\$ 7,681,006	\$ 7,306,913	\$ 6,224,061

¹ Budgetary basis.

² Subject to audit.

General Fund Revenues and Expenditures
Four Year Summary of Audited Revenues and Expenditures, (GAAP Basis)
and Current Budget (Budgetary Basis)

Town of Southbury

	Adopted Budget ^{1,2} 6/30/2026	Actual 6/30/2025	Actual 6/30/2024	Actual 6/30/2023	Actual 6/30/2022
Revenues:					
Property Taxes	\$ 70,117,893	\$ 69,466,249	\$ 65,570,038	\$ 63,980,938	\$ 64,138,732
Intergovernmental	9,056,724	10,378,718	8,314,280	9,035,471	5,507,879
Charges for Services	1,446,400	2,452,152	2,119,614	2,054,646	2,080,500
Investment Income	1,173,208	1,487,851	1,805,669	1,227,334	76,933
Other	467,867	253,124	207,165	160,786	332,237
Total.....	\$ 82,262,092	\$ 84,038,094	\$ 78,016,766	\$ 76,459,175	\$ 72,136,281
Expenditures:					
General Government.....	11,464,048	10,664,814	8,667,085	8,573,228	8,476,373
Public Safety.....	4,634,181	4,435,883	4,131,908	3,963,833	3,699,433
Public Works.....	4,816,071	3,103,861	2,994,719	2,947,805	3,121,259
Conservation of Health	341,447	328,124	341,980	323,384	307,435
Community Activities	1,287,829	2,068,718	1,862,086	1,711,618	1,579,316
Education	59,586,094	57,650,444	53,858,679	51,509,790	49,792,018
Library	-	-	-	-	-
Debt Service.....	343,278	-	267,800	789,813	825,750
Capital Outlay.....	1,539,791	1,521,443	1,133,966	2,483,695	246,222
Total.....	\$ 84,012,739	\$ 79,773,287	\$ 73,258,223	\$ 72,303,166	\$ 68,047,806
Excess (Deficiency) of Revenues Over Expenditures.....	(1,750,647)	4,264,807	4,758,543	4,156,009	4,088,475
Other financing sources (uses):					
Bond Premiums	-	-	-	-	-
Sale of Capital Assets.....	-	-	-	-	-
Operating Transfers In	-	-	-	650,254	158,848
Operating Transfers (Out)	-	(5,610,402)	(3,445,158)	(2,668,873)	(2,834,175)
Total Other financing sources (uses).....	-	(5,610,402)	(3,445,158)	(2,018,619)	(2,675,327)
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other financing uses.....	(1,750,647)	(1,345,595)	1,313,385	2,137,390	1,413,148
Fund Equity, Beginning of Year.....	18,446,461	19,792,056	18,478,671	16,341,281	14,928,133
Fund Equity, End of Year.....	N/A	\$ 18,446,461	\$ 19,792,056	\$ 18,478,671	\$ 16,341,281

¹ Budgetary basis.

² Subject to audit.

Analysis of General Fund Equity

	Adopted Budget ^{1,2} 6/30/2026	Actual 6/30/2025	Actual 6/30/2024	Actual 6/30/2023	Actual 6/30/2022
Nonspendable.....	N/A	\$ 62,272	\$ 39,418	\$ 49,974	\$ 163,297
Restricted.....	N/A	-	-	-	-
Committed.....	N/A	2,014	51,051	51,051	52,248
Assigned.....	N/A	6,721,404	10,477,112	9,939,305	10,146,044
Unassigned.....	N/A	11,660,771	9,224,475	8,438,341	5,979,692
Total Fund Equity	N/A	\$ 18,446,461	\$ 19,792,056	\$ 18,478,671	\$ 16,341,281

¹ Budgetary basis.

² Subject to audit.

VII. Legal and Other Information

Litigation

The District

Following consultation with the attorney for the District and other attorneys providing legal services to the District, District officials advise that Regional School District No. 15 and its officers and employees are named defendants in a number of lawsuits, administrative proceedings and other actions. With regard to these pending lawsuits, proceedings and actions, it is the District officials' opinion that such pending litigation, proceedings and actions will not be finally determined so as to result individually or in the aggregate in final judgments against the District which would materially adversely affect its financial position.

The Member Towns

Town of Middlebury

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

However, per the Town Attorney, there has been a recently filed federal action naming the Town of Middlebury and certain Town officials, boards, and commissions as defendants in their official capacities. On December 18, 2025, plaintiffs Southford Park LLC and Route 188 LLC commenced an action in the United States District Court for the District of Connecticut alleging violations of the United States and Connecticut Constitutions arising from the application of Conn. Gen. Stat. § 8-3m and related municipal land-use decisions. The complaint seeks declaratory and injunctive relief and also asserts claims for monetary damages against the Town of Middlebury.

The Town disputes the allegations and intends to defend the matter vigorously. At this early stage of the proceedings, no findings have been made by the Court, and the ultimate outcome cannot be predicted. The Town is in the process of evaluating available defenses, procedural posture, and potential insurance coverage and indemnification issues.

Town of Southbury

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

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Documents Accompanying Delivery of the Bonds

The winning bidder will be furnished the following documents when the Bonds are delivered:

1. Signature and No Litigation Certificates stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.
2. A certificate on behalf of the District, signed by the Chairperson of the Board of Education and the Treasurer of the District, and which will certify, to the best of said officials' knowledge and belief, that at the time the bids were awarded for the Bonds, the descriptions and statements in the Official Statement relating to the District and its finances were true and correct in all material respects and did not contain any untrue statement of 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 District from that set forth in or contemplated by the Official Statement.
3. A receipt for the purchase price of the Bonds.
4. The approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut in substantially the form attached hereto as Appendix B.
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached hereto as Appendix C.
6. The District has prepared an Official Statement for the Bonds which is dated January ___, 2026. The District deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(1), but it is subject to revision or amendment. The District will make available to the winning bidder of the Bonds a reasonable amount of copies, of the final Official Statement at the District's expense. The copies of the Official Statement will be made available to the winning bidder at the office of the District's Municipal Advisor no later than seven business days of the bid opening. If the District's Municipal Advisor is provided with the necessary information from the winning bidder by noon of the day following the bids on the Bonds are received, the copies of the final Official Statement will include an additional cover page and other pages indicating the interest rates, yields or reoffering prices, the name of the winning bidder, the name of the insurer, if any, and any changes on the Bonds. The winning bidder shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the winning bidder.

A record of the proceedings taken by the District in authorizing the Bonds will be kept on file at offices of U.S. Bank Trust Company, National Association, and may be examined upon reasonable request.

Concluding Statement

To the extent that any statements made in this Official Statement involve matters of opinion or estimates such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the District from official and other sources and is believed by the District to be reliable, but such information other than that obtained from official records of the District has not been independently confirmed or verified by the District and its accuracy is not guaranteed.

Any questions concerning this Official Statement should be directed to Joseph Martino, Director of Finance and Operations, Regional School District No. 15, 286 Whittemore Road, Middlebury, Connecticut 06762, telephone number (203) 758-8259. This Official Statement has been duly prepared and delivered by the District, and executed for and on behalf of the District, by the following officials:

REGIONAL SCHOOL DISTRICT NO. 15

By: _____
Marion Manzo, *Chairman of the Board of Education*

By: _____
Heather Rodgers, *Treasurer*

Dated: January __, 2026

Appendix A

The following includes the General Purpose Financial Statements of Regional School District No. 15, Connecticut for the fiscal year ended June 30, 2024. The supplemental data which was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Barry J. Bernabe, Managing Director, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street, Suite 1, Milford, CT 06460. Telephone (203) 283-1110.



Charles Heaven & Co.
Certified Public Accountants
Waterbury, Connecticut

INDEPENDENT AUDITORS' REPORT

Board of Education
Pomperaug Regional School District #15
Middlebury and Southbury, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Pomperaug Regional School District #15, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Pomperaug Regional School District #15's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, the aggregate remaining fund information of Pomperaug Regional School District #15, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pomperaug Regional School District #15, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Pomperaug Regional School District #15'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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness Regional School District #15'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 Regional School District #15'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 on pages 4 through 9, the budgetary comparison schedule on page 53, and supplementary pension information on pages 54 through 57 and supplementary OPEB information on pages 58 through 59, 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 Pomperaug Regional School District #15's basic financial statements. The combining and individual nonmajor fund financial statements, and supplemental schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements. The schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the state single audit act and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2025 on our consideration of Pomperaug Regional School District #15'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 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 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 Pomperaug Regional School District #15's internal control over financial reporting and compliance.



January 3, 2025

**Pomperaug Regional School District #15
Management's Discussion and Analysis (MD&A)
June 30, 2024**

Introduction

Our discussion and analysis of Pomperaug Regional School District #15 (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. It should be read in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the Region exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$27,674,250 (net position).
- The Region's total net position increased by \$8,594,094.

- As of the close of the current fiscal year, the Region's governmental funds reported a combined ending fund balance of \$13,659,567.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$2,109,937. And the committed for educational expenditures part of fund balance was \$232,725.

The District's compliance with GASB 75, Post Retirement Benefit Obligations, is \$8,419,918 at June 30th. Although no actual cash payments will be needed for meeting the actuarial computed value of the post retirement benefit, this calculation is based upon certified teachers who retire under the State Teacher Retirement system but are able to purchase medical insurance through the District's group medical plan. All premiums are paid by the retiree with no cost to the District.

Overview of Financial Statements

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- **Fund financial statements** focus on reporting the individual parts of the District operations in more detail. The fund financial statements comprise the remaining statements.
 - o **Governmental funds** statements tell how general government services were financed in the short term as well as what remains for future spending.
 - o **Proprietary fund** statements provide information about the Districts self insured medical benefits.
 - o **Fiduciary fund** statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required supplementary information that further explains and supports the financial statements.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies.

**Pomperaug Regional School District #15
Management's Discussion and Analysis (MD&A)
June 30, 2024**

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

The statement of activities presents information showing how the Region's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The two government-wide statements report the District's net position and how they have changed. Net position-the difference between the assets and liabilities-is one way to measure the District's financial health or position.

- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in enrollment, changes in property tax base, changes in program funding by the Federal and State governments, and condition of facilities.

The government-wide financial statements of the District include government activities. Most of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Revenue limit funding and federal and state grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular programs. Some funds are required to be established by state law and by bond covenants. The Board of Education establishes other funds to control and manage money for particular purposes or to show that the District is meeting legal responsibilities for using certain revenues. The District has two kinds of funds:

- **Governmental funds** – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the government funds statements that explains the relationship (or differences) between them.
- **Proprietary funds** – The Region maintains one proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Region's various functions. The Region uses an internal service fund to account for its self-insured medical benefits.

**Pomperaug Regional School District #15
Management's Discussion and Analysis (MD&A)
June 30, 2024**

- Fiduciary funds – the District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use the assets to finance its operations.

Financial Analysis of the Entity as a Whole

Net Position

The District's combined net position was \$27,674,250 at June 30, 2024.

	<u>Balance</u> <u>June 30, 2024</u>	<u>Total</u> <u>Governmental</u> <u>Activities</u>	<u>Balance</u> <u>June 30, 2023</u>
Current Assets	\$ 21,484,427		\$ 10,590,272
<u>Noncurrent Assets:</u>			
Capital assets - net	<u>39,334,071</u>		<u>38,623,798</u>
<u>Total Assets</u>	60,818,498		49,214,070
<u>Total Deferred outflows of Resources</u>	<u>1,103,598</u>		<u>1,514,562</u>
Current Liabilities	5,418,396		4,536,005
<u>Noncurrent Liabilities:</u>			
Due within one year	805,000		910,000
Due in more than one year	<u>21,316,274</u>		<u>19,549,020</u>
<u>Total Liabilities</u>	<u>27,539,670</u>		<u>24,995,025</u>
<u>Total Deferred Inflows of resources</u>	<u>6,708,176</u>		<u>6,653,451</u>
<u>Net Position</u>			
Net Investment in Capital Assets	38,424,071		36,908,798
Restricted	10,564,915		1,430,389
Unrestricted	<u>(21,314,736)</u>		<u>(19,259,031)</u>
<u>Total Net Position</u>	<u>\$ 27,674,250</u>		<u>\$ 19,080,156</u>

**Pomperaug Regional School District #15
Management's Discussion and Analysis (MD&A)
June 30, 2024**

Changes in Net Position

The District's total revenues were \$103,821,365. A summary of the changes in net position follows.

<u>Revenues</u>	<u>Changes in Net Position</u> <u>Governmental Activities</u>	
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Program Revenues:	\$	\$
Charges for Services	2,367,450	1,838,460
Operating Grants & Contributions	18,498,096	18,796,223
Capital Grants & Contributions	114,532	810,511
General Revenues		
Participating towns	82,367,967	77,744,062
Local Revenues	<u>473,320</u>	<u>87,173</u>
<u>Total Revenues</u>	<u>103,821,365</u>	<u>99,276,429</u>
<u>Program Expenses</u>		
Instructional services	47,756,601	42,822,173
Employee Benefits	19,697,525	25,615,100
Support Services	17,041,697	16,987,445
Transportation	6,462,622	5,973,186
School Lunch Services	1,835,077	1,760,903
Debt Service	5,152	16,128
Depreciation	<u>2,428,597</u>	<u>2,386,831</u>
<u>Total Expenses</u>	<u>95,227,271</u>	<u>98,561,766</u>
Increase in Net Position	8,594,094	714,663
Net Position – Beginning of Year *	<u>19,080,156</u>	<u>18,365,493</u>
Net Position – End of Year	<u>\$ 27,674,250</u>	<u>\$ 19,080,156</u>

The total cost of all programs and services was \$95,227,271. The District's expenses are predominately related to educating and caring for students 75,32%. Support service activities accounted for just 17.90% of total costs. The remaining expenses were for transportation, debt service and other outgo. The following is a summary of the net increase (decrease) in the net position of the district.

**Pomperaug Regional School District #15
 Management’s Discussion and Analysis (MD&A)
 June 30, 2024**

Governmental Activities

The net cost of all governmental activities this year was \$74,247,193.

The following is a summary of the net cost of governmental activities.

	<u>Net Cost of Services</u>	
	<u>2 0 2 4</u>	<u>2 0 2 3</u>
Instruction	\$ 42,723,030	\$ 40,638,932
Employee Benefits	6,571,083	12,250,678
Instruction – supporting services	16,179,027	16,220,333
Transportation	6,439,222	5,948,486
School Lunch Services	(98,918)	(344,816)
Debt Service	5,152	16,128
Depreciation	<u>2,428,597</u>	<u>2,386,831</u>
<u>Total</u>	<u>\$ 74,247,193</u>	<u>\$ 77,116,572</u>

Financial Analysis of the District’s Funds

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$13,659,567 which compares to prior years fund balance of \$3,390,190. The increase of \$10,269,377 in fund balance was made up primarily of the balance of our repair bond.

General Fund Budgetary Expenditure Highlights

A schedule of the District’s original and final budget amounts compared with actual revenues and expense is provided in the supplemental section of the audited financial report. General fund expenditures and transfers for the fiscal year ended June 30, 2024 totaled \$85,488,790.

Variance include the following key items

Salaries – The District was able to bring in new hires at rates below the budgeted anticipated targets, and lower than the funding level of those who were replaced.

Benefits – Favorable variance of \$352,886 was realized. This was due to a reduced medical use during the fiscal year, and a continued positive workers compensation and life insurance renewals.

Instruction Program – Favorable variance of \$470,827 due to savings resulted from aggressively pursuing consortium pricing. The district, while meeting its identified needs, was able to obtain savings in these areas. Such savings was the result of needing less outside purchase service then budgeted, secure better pricing in instructional supplies then what was originally budgeted. Overall, the district saw a decreased use of outside conferences and dues and fees, which helped with the positive budget balance in the overall instructional program area.

**Pomperaug Regional School District #15
 Management’s Discussion and Analysis (MD&A)
 June 30, 2024**

Transportation – These services were unfavorable by \$256,920. This was a result of increase in special education transportation costs due to price increases.

Plant Operation – Unfavorable \$1,600,663 due to major investment in plant and facilities. We continue to see a large increase in basic cleaning supplies. The cost of outside contractors for repairs has also increased. The District continues to make repairs to several HVAC units, including the large HVAC unit on the high school main gym, and heating systems in several buildings. The District also continued to make investments in school security, boiler improvements, replacement, and LED lighting upgrades for additional future savings.

Transfer to Other Funds – The state legislature establishes the ability to transfer to an educational expenditure reserve fund up to 2% of its approved appropriation. The Board of Education voted to transfer to this reserve \$232,725 for future educational expenditures. This reserve can be carried forward each year and is subject to Board of Education approval for expenditures made from it and the balance at the end of the year is \$232,725.

A summary of interfund and reserve transfers follows:

	<u>Transfers to Other Funds</u>	<u>Transfers From Other Funds</u>
General Fund	\$ ---	\$ 1,158,853
Debt Service Fund	926,128	---
Educational Expenditures Reserve	<u>232,725</u>	<u>---</u>
	<u>\$ 1,158,853</u>	<u>\$ 1,158,853</u>

Economic Factors and Next Year’s Budgets and Rates

At the time these financial statements were prepared and audited, the District was aware of several circumstances that could affect its future financial health:

- Ever changing issues at the federal and state levels could have an impact on the financial health of the District. Overall price and wage inflation in the coming years could impact future budgets.

Contacting the District’s Financial Management

This financial report is designated to provide our citizens, taxpayers, parents, participants, investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the business office of Pomperaug Regional School District #15.

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets:	\$
Cash and cash equivalents	21,109,582
Receivable - miscellaneous fees	257,166
Inventory	16,618
Due from State of Connecticut	101,061
Noncurrent Assets:	
Capital assets - net	39,334,071
Total Assets	<u>60,818,498</u>
Deferred Outflows of Resources:	
Difference in change of assumptions	950,892
Difference between projected and actual earnings on investment	152,706
Total Deferred Outflows of resources	<u>1,103,598</u>
Liabilities:	
Accounts payable	1,688,175
Accrued interest	5,152
Accrued payroll and payroll taxes	3,347,911
Due to State of Connecticut	300
Due to participant members	324,965
Unearned revenue	51,893
Noncurrent liabilities:	
Due within one year	805,000
Due in more than one year	21,316,274
Total Liabilities	<u>27,539,670</u>
Deferred Inflows of Resources:	
Difference between expected and actual experience	4,246,284
Difference in change of assumptions	2,461,892
Total Deferred Inflows of resources	<u>6,708,176</u>
Net Position:	
Net Investment in Capital Assets	38,424,071
Restricted for:	
Student Activities	455,057
Athletic Capital	27,380
Capital Projects	8,831,108
State and Federal Grants	74
Debt Service	5,426
Reserve for Capital Nonrecurring Expenditures	1,245,870
Unrestricted	(21,314,736)
Total Net Position	<u>\$ 27,674,250</u>

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement of Activities
Year Ended June 30, 2024

Functions	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental activities:					
Instructional services	\$ 47,756,601	\$ 470,128	\$ 4,448,911	\$ 114,532	\$ (42,723,030)
Employee Benefits - unallocated	19,697,525	-	13,126,442	-	(6,571,083)
Support services	17,041,697	862,670	-	-	(16,179,027)
Transportation	6,462,622	-	23,400	-	(6,439,222)
School lunch services	1,835,077	1,034,652	899,343	-	98,918
Interest on long-term liabilities	5,152	-	-	-	(5,152)
Unallocated depreciation	2,428,597	-	-	-	(2,428,597)
Total school district	\$ 95,227,271	\$ 2,367,450	\$ 18,498,096	\$ 114,532	(74,247,193)

General revenues:

Participating towns:

Town of Middlebury 28,509,285

Town of Southbury 53,858,682

Unrestricted earnings on investments 387,823

Miscellaneous 85,497

Total general revenues 82,841,287

Change in net position 8,594,094

Net position - beginning 19,080,156

Net position - end of year \$ 27,674,250

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds				Other Governmental Funds	Total Governmental Funds
	General	Capital Projects	Debt Service			
Assets:						
Cash and cash equivalents	\$ 6,173,446	\$ 8,831,108	\$ 5,426	\$ 2,681,939	\$ 17,691,919	
Receivable - miscellaneous fees	243,514	---	---	415	243,929	
Inventory	---	---	---	16,618	16,618	
Due from other funds	177,211	---	---	1,827	179,038	
Due from State of Connecticut	---	---	---	101,061	101,061	
Total Assets	\$ 6,594,171	\$ 8,831,108	\$ 5,426	\$ 2,801,860	\$ 18,232,565	
Liabilities:						
Accounts payable	\$ 953,286	\$ ---	\$ ---	\$ 40,570	\$ 993,856	
Accrued payroll and payroll taxes	3,292,396	---	---	55,515	3,347,911	
Due to other funds	1,827	---	---	177,211	179,038	
Due to State of Connecticut	---	---	---	300	300	
Unearned revenue	4,000	---	---	47,893	51,893	
Total Liabilities	4,251,509	---	---	321,489	4,572,998	
Fund Balances:						
Nonspendable:						
Inventories	---	---	---	16,618	16,618	
Restricted for:						
Capital improvements	---	8,831,108	---	---	8,831,108	
Member towns	---	---	---	---	---	
Federal and state grants	---	---	---	74	74	
Athletic capital	---	---	---	27,380	27,380	
Capital and nonrecurring expenditures	---	---	---	1,013,145	1,013,145	
Student activities	---	---	---	455,057	455,057	
Committed for:						
Educational expenditures	232,725	---	---	---	232,725	
Debt service	---	---	5,426	---	5,426	
Unassigned	2,109,937	---	---	968,097	3,078,034	
Total Fund Balances	2,342,662	8,831,108	5,426	2,480,371	13,659,567	
Total Liabilities and Fund Balances	\$ 6,594,171	\$ 8,831,108	\$ 5,426	\$ 2,801,860	\$ 18,232,565	

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

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2024**

Total fund balances for governmental funds	\$ 13,659,567
Total net position reported for governmental activities in the statement of net position is different because:	
Other long-term assets are not available to pay current-period expenditures and, therefore, are deferred in the funds.	
Deferred outflows related to pension & OPEB expense	1,103,598
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Capital assets, net of \$59,068,617 accumulated depreciation.	
	39,334,071
Internal service fund are used by management to charge the cost of risk management to individual funds. The asset and liabilities of internal service fund are reported with governmental activities in the statement of net position.	
	2,411,616
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	
	(5,152)
Deferred inflow related to pension & OPEB expense	(6,708,175)
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:	
Bonds payable	\$ (805,000)
Net pension liability	(9,674,871)
Net OPEB liability	(8,419,918)
Lease liability	(174,920)
Early retirement payable and other compensated absences	(3,046,566)
	<u>(22,121,275)</u>
Total net position of governmental activities	\$ <u>27,674,250</u>

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	<u>Major Funds</u>				Other Governmental Funds	Total Governmental Funds
	General	Capital Projects	Debt Service			
Revenue:						
Participating towns	\$ 82,367,967	\$ ---	\$ ---	\$ ---	\$ ---	\$ 82,367,967
Federal & state grants	15,574,196	---	---	3,129,145	---	18,703,341
Investment income	294,428	46,071	295	47,029	---	387,823
Sales of lunches , milk , and other	---	---	---	1,034,652	---	1,034,652
Tuition	376,482	---	---	---	---	376,482
Charges for goods and services	---	---	---	862,670	---	862,670
Other miscellaneous income	77,970	---	---	10,460	---	88,430
Total Revenue	98,691,043	46,071	295	5,083,956	---	103,821,365
Expenditures:						
Current						
Salaries - certified	35,961,324	---	---	1,352,373	---	37,313,697
Salaries - classified	10,732,237	---	---	683,281	---	11,415,518
Employee benefits	27,852,551	---	---	188,306	---	28,040,857
Instructional programs	3,374,896	---	---	658,553	---	4,033,449
Tuition	6,315,809	---	---	---	---	6,315,809
Administrative services	1,123,274	---	---	164,240	---	1,287,514
Transportation	6,462,622	---	---	---	---	6,462,622
Plant operation	4,479,122	---	---	42,922	---	4,522,044
Cost of goods sold	---	---	---	870,563	---	870,563
Interest	---	---	16,128	---	---	16,128
Support services-students	---	---	---	806,172	---	806,172
Capital outlay	195,089	2,558,177	---	147,563	---	2,900,829
Principal payments on bonds	---	---	910,000	---	---	910,000
Total Expenditures	96,496,924	2,558,177	926,128	4,913,973	---	104,895,202
Other Financing Sources (Uses):						
Proceeds from issuance of bonds	---	11,275,000	---	---	---	11,275,000
Bond issuance premiums	---	68,214	---	---	---	68,214
Operating transfers in (out)	(926,128)	---	926,128	---	---	---
Total Other Financing Sources (Uses)	(926,128)	11,343,214	926,128	---	---	11,343,214
Total Expenditures and Other Financing Uses	97,423,052	(8,785,037)	---	4,913,973	---	93,551,988
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	1,267,991	8,831,108	295	169,983	---	10,269,377
Fund Balance - beginning of year	1,074,671	---	5,131	2,310,388	---	3,390,190
Fund Balance - end of year	\$ 2,342,662	\$ 8,831,108	\$ 5,426	\$ 2,480,371	\$ ---	\$ 13,659,567

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Government Funds to the Statement of Activities
Year Ended June 30, 2024

Net change in fund balances-total governmental funds **\$ 10,269,377**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful life and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. **710,273**

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items are as follows:

Repayment of bond principal	910,000	
Repayment of lease principal	(174,920)	
Interest expense - general obligation bonds	<u>10,976</u>	
		746,056

In the statement of activities, certain operating expenses - compensated absences (vested vacation and sick days), special termination benefits (early retirement), pension liability, and other post retirement benefits - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year the net difference is as follows:

Compensated absences and termination benefits	(2,811,727)	
Net OPEB liability	19,128	
Change in deferred inflows/outflows related to pension/OPEB	(465,689)	
Net pension liability	<u>395,265</u>	
		(2,863,023)

Internal service fund is used by management to charge cost to individual funds. The net revenue of certain activities of internal service fund is reported with governmental activities. **(268,589)**

Change in net position of governmental activities **\$ 8,594,094**

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement Of Net Position
Proprietary Funds
June 30, 2024

	Governmental Activities Internal Service Fund
<hr/>	
Assets:	
Cash	\$ 3,417,663
Due from participating member	13,237
	<u>3,430,900</u>
Liabilities:	
Due to participating members	87,000
Claims payable	932,284
Total Liabilities	<u>1,019,284</u>
Net Position:	
Unrestricted	\$ <u>2,411,616</u>

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

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement of Revenues, Expenses and Changes in
Fund Net Position - Proprietary Funds
Year Ended June 30, 2024**

	Governmental Activities Internal Service Fund
<hr/>	
Operating Revenues:	
Contributions	\$ 13,821,475
Investment income	143,469
Total Operating Revenue	<u>13,964,944</u>
 Operating Expenses:	
Employee Benefits	12,177,698
Other Expenses	2,055,835
Total Operating Expenses	<u>14,233,533</u>
 Operating Loss	 (268,589)
 Net Position at Beginning of Year	 <u>2,680,205</u>
 Net Position at End of Year	 \$ <u><u>2,411,616</u></u>

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement Of Cash Flows
Proprietary funds
Year Ended June 30, 2024

	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from members and users	\$ 13,864,299
Interest	143,469
Payment to providers	(2,055,835)
Payments for employees	(11,897,448)
Net Cash Provided by Operating Activities	<u><u>54,485</u></u>
Net Increase in Cash	54,485
Cash - Beginning of Year	<u>3,363,178</u>
Cash - End of Year	<u><u>\$ 3,417,663</u></u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating loss	\$ (268,589)
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Increase in claims payable	280,249
Increase in due to members	42,825
Net Cash Provided by Operating Activities	<u><u>\$ 54,485</u></u>

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement Of Fiduciary Net Position
Fiduciary Fund - Pension Trust Fund
June 30, 2024

	Pension Trust Fund
Assets:	
Cash	\$ 294,698
Investments - at fair value	<u>20,766,367</u>
Total Assets	<u>\$ 21,061,065</u>
 Liabilities	
Accrued benefit payments	<u>(166,752)</u>
Total Liabilities	<u>(166,752)</u>
 Net Position:	
Held in trust for pension benefits	<u>\$ 20,894,313</u>

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

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Statement Of Changes In Plan Net Position
Fiduciary Fund - Pension Trust Fund
Year Ended June 30, 2024**

	Pension Trust Fund
Additions:	\$
Employer contributions	1,010,000
Plan members	49,223
Total contributions	<u>1,059,223</u>
 Investment income :	
Gross investment income	2,110,741
Less : Investment and administrative expense	47,384
Net investment income/(loss)	<u>2,063,357</u>
Total additions	<u>3,122,580</u>
 Deductions:	
Pension benefits	<u>1,469,448</u>
 Net Increase	1,653,132
 Net Position held in Trust for Pension Benefits:	
Beginning of year	<u>19,241,181</u>
 End of year	<u><u>\$ 20,894,313</u></u>

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

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note “1” - Summary of Significant Accounting Policies:

A. Basis of Presentation:

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Management’s Discussion & Analysis – provides introductory information on basic financial statements and an analytical overview of the district’s financial activities.

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

Fund Financial statements – provide information about the district’s governmental, proprietary, and fiduciary funds. These statements emphasize major fund activity and, depending on the fund type, utilize different basis of accounting. Governmental funds focus on sources, uses, and balances of current financial resources and often have budgetary orientation, and therefore use a modified accrual basis of accounting utilizing encumbrance accounting. Proprietary funds, which includes the internal service fund, focus on determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows, and therefore, use the accrual basis of accounting. Fiduciary funds focus on net assets and changes in net assets, and include assets held in a trustee (Pension Trust Fund) or agency (Student Activity Funds) and utilize the accrual basis of accounting.

Required supplementary information – in addition to the MD&A, budgetary comparison schedules are presented for the General Fund, which is the only fund with a legally adopted budget. The original budget for revenues and expenditures and the final adjusted budget are presented in comparison with the actual final budgetary revenues and expenditures (including encumbrances). The Pension Trust Fund presents additional schedules as required by GASB 67, 68 and 73 and OPEB plan presents additional schedules as required by GASB 75.

B. Reporting Entity:

The school system constitutes an on-going entity established by an act of the state legislature that designated the school board of education as the governing authority. Members of the school board of education are elected by the public and have responsibilities over all activities related to public elementary and secondary school education. The board of education receives local, state, and federal funding, and must therefore comply with various requirements of these funding source entities. However, the board is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Standards, since the board of education members are elected by the public and have governing authority. Governing authority includes the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note "1" - Summary of Significant Accounting Policies (continued):

For financial reporting purposes, the District's financial statements include all funds over which the District exercises oversight responsibility in accordance with the criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 14. Oversight responsibility was determined on the basis of financial independence, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public services. Based on the aforementioned criteria Pomperaug Regional School District #15 has no component units.

C. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the school district as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal Service fund activity is eliminated to avoid overstatement of revenues and expenses.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the district. Direct expenses are those that are specifically association with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All revenues not classified as program revenues are presented as general revenues of the district.

Fund Financial Statements

Fund financial statements report detailed information about the District. Their focus is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all nonmajor funds are aggregated into one column. The Internal Service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type. A description of the various fund financial statements follows:

Governmental-Funds:

General Fund:

This fund is the general operating fund of the District and provides the accounting for budgeted revenue and expenditures applicable to the direct operation of the school system.

Special Revenue Funds:

These funds account for revenue that is restricted as to its use under specific provisions of law. State and Federal Grant Fund, a special revenue fund, accounts for state and federal grant programs which are governed by various rules and regulations of the grantor agencies.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "1" - Summary of Significant Accounting Policies: (continued)

Capital Projects Fund:

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities, which are not financed by Proprietary and Trust Funds.

Debt Service Fund:

The debt service fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

Proprietary Funds:

Internal Service Fund:

Account for the Districts self-insurance program for accident and health insurance coverage of District employees.

Fiduciary Funds:

Trust and Agency Funds:

Account for assets held for the District in a trustee or custodial capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Pension Trust Funds:

Accounts for the activities of the District's single-employer public employee retirement system (PERS).

D. Measurement Focus and Basis of Accounting:

Measurement Focus:

Government-wide Statements

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of proprietary fund financial statements, which differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note “1” - Summary of Significant Accounting Policies: (continued)

Basis of Accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The Fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary and fiduciary funds.

Revenues, Exchange, and Non-exchange Transactions

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include contributions by member towns, grants, entitlements and donations. On an accrual basis, revenue from member towns is recognized in the fiscal year for which the amounts are due. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: contributions by member towns, investment earnings, tuition, grants, and student fees.

Expenditures/Expenses

On the accrual basis of accounting, expenses are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave, which are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

E. Fund Equity and Net Position – Governmental Funds:

Beginning with fiscal year 2011, the District implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "1" - Summary of Significant Accounting Policies: (continued)

- Non-spendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact, legally or contractually.
- Restricted fund balance – amounts constrained to specific purposes by external parties, constitutional provisions or enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education.
- Assigned fund balance – amounts the government intends to use for a specific purpose, but are neither restricted nor committed, as authorized by the Board of Education.
- Unassigned fund balance – amounts that are available for any purpose.

F. Deposits and Investments:

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be placed with any "qualified public depository" as defined by statute, which has its main place of business in the State of Connecticut.

The Districts cash and cash equivalents are comprised of demand deposits, cash on hand and all other highly liquid, short-term investments with original maturities of three months or less.

The Connecticut General Statutes authorize the investment of funds in the obligations of the United States, or may be invested in any state or other tax-exempt political subdivision under certain conditions. Funds may also be deposited in the State Treasurer's Short-Term Investment Fund (STIF). The provisions of the statutes regarding the investments of municipal pension funds does not specify permitted investments. Therefore, investments of such funds are generally controlled by the laws applicable to fiduciaries and the provisions of the applicable pension plan.

District Investments are reported at fair value.

G. Inventories:

Inventories are valued at cost using the first-in/first-out (FIFO) method, except for USDA donated commodities which are valued at market value. The cost of governmental fund type inventories, are recorded as expenditures when consumed rather than when purchased. Inventories are comprised of food products for the School Cafeteria Fund.

H. Prepayments:

Certain payments to vendors provide benefits in future accounting periods and therefore are recorded as prepayments on both government-wide and fund financial statements.

I. Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by proprietary funds are reported on both statement types.

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note “1” - Summary of Significant Accounting Policies: (continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District follows the policy of capitalizing assets with a cost of \$5,000 and more with useful life of more than 1 year for furniture and equipment. For buildings, building improvements and land improvements the District has not set a capitalization floor and therefore all expenditures are capitalized. The District does not possess any infrastructure.

Certain improvements to and replacements of property and equipment have not been capitalized in accordance with the above accounting policies but have been charged to expense in the accompanying financial statements. Also, only certain expenditures, as authorized by management, have been capitalized.

All reported capital assets, with the exception of land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Useful Life</u>
Land	not depreciated
Land improvements	20
Buildings & Improvements	7 - 50
Furniture and Equipment	5 - 15
Right-to-use equipment	3 - 5

J. Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred outflow of resources related to pension or OPEB results from differences between projected and actual earnings, changes in assumptions or other inputs. These amounts are deferred and included in expense in a systematic and rational manner over a period of time.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period of periods and so will not be recognized as an inflow of resources (revenue) until that time. The District reports a deferred inflow of resources related to expected and actual experience on the pension plan and OPEB.

K. Interfund Activity

Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

On fund financial statements, short-term interfund loans are classified as interfund “due from/to other funds.” These amounts are eliminated in the statement of net assets.

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note "1" - Summary of Significant Accounting Policies: (continued)

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the amount of accumulated vacation and sick leave of employees has been recorded as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources. The balance of the liability is not recorded.

M. Unearned Revenues

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

N. Net Pension Liability

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

O. Accrued Liabilities and Long-term Debt

All accrued liabilities and long-term debt are reported in the government-wide financial statements as well as the proprietary fund financial statements.

For governmental fund financial statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "1" - Summary of Significant Accounting Policies: (continued)

P. Restricted Resources

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Q. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

R. Lease Liabilities

The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset in the government wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$20,000 or more.

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

Key estimates and judgements related to leases include:

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

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

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

Note "2" – Stewardship, Compliance and Accountability:

On or before the last Wednesday in January of each year all cost centers submit requests for appropriations to the Regional School Board Central Office administration so that the general fund budget may be prepared.

Before March 31, the proposed budget is presented to the finance committee for review. By the end of April, the proposed budget will be reviewed and adopted by the Regional Board of Education to be presented at the annual public budget meeting.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "2" – Stewardship, Compliance and Accountability (continued):

Not less than two weeks before the annual meeting held pursuant to C.G.S. Section 10-47, the board shall hold a public district meeting to present a proposed budget for the next fiscal year. Any person may recommend the inclusion or deletion of expenditures at such time. After the public hearing, the board prepares an annual budget for the next fiscal year. At the annual meeting on the first Monday in May, the board presents a budget which includes a statement of (1) estimated receipts and expenditures for the next fiscal year, (2) estimated receipts and expenditures for the current fiscal year, (3) estimated surplus or deficit in operating funds at the end of the current year, (4) bonded or other debt, (5) estimated per pupil expenditure for the current and for the next fiscal year and (6) such other information as is necessary in the opinion of the board. Persons present and eligible to vote under section 7-6 may accept or reject the proposed budget. The regional board of education may, in the call to the meeting, designate that the vote on the motion to adopt a budget shall be by paper ballots at the district meeting held on the budget or by a "yes" or "no" vote on the voting machines in each of the member towns on the day following the district meetings. After budget approval, the board shall estimate the net expenses to be paid by each member town.

The budget for the general fund has substantially been prepared on the modified accrual basis. Encumbrances, commitments related to unperformed contracts for goods or services, 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 reflected in the budgetary reports as expenditures in the current year. Actual expenditures in the budgetary statement include current encumbrances as described above. This method of accounting, for encumbrances, is different from that utilized in the balance sheet and statement of revenue and expenditures (GAAP basis). Encumbrances on a GAAP basis are not expenditures but a reserve of fund balance. In addition, certain revenues for budgetary purpose are credited to expense, but for GAAP purposes they are reclassified as revenue. A reconciliation of general fund and fund balance between the accounting treatment for encumbrances as required by GAAP and legal requirements follows:

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the District for the Budgetary – Non GAAP Statement.

A reconciliation of general fund expenditures and fund balance between the accounting treatment for encumbrances as required by GAAP and legal requirements follows:

	<u>General Fund</u>		
		<u>Expenditures and Other</u>	
	<u>Revenue</u>	<u>Financing Uses</u>	<u>Fund Balances</u>
<u>Budgetary/GAAP Reporting Reconciliation:</u>			
Budgetary statement – June 30, 2024	\$ 85,488,790	\$ 85,488,790	\$ ---
Encumbrances – June 30, 2023	---	1,074,671	---
Encumbrances – June 30, 2024	---	(2,109,937)	2,109,937
Reserve for Educational Expenditures	---	(232,725)	232,725
Payments made on the Districts' behalf described in Note "10" and "14"	13,126,442	13,126,442	---
Revenue budgeted as an offset to expenditures:			
Miscellaneous income-medicaid	72,953	72,953	---
State Team Mentor grant	2,858	2,858	---
	<u>13,126,442</u>	<u>13,126,442</u>	<u>---</u>
<u>Balance (GAAP) Balance Sheet and Statement of Revenue and Expenditures – June 30, 2024</u>	<u>\$ 98,691,043</u>	<u>\$ 97,423,052</u>	<u>\$ 2,342,662</u>

**Pomperaug Regional School District #15
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Notes to Financial Statements**

Note "3" – Cash and Cash Equivalents, Deposits and Investments:

A. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at June 30, 2024:

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Proprietary Funds</u>
Deposits:			
Demand accounts	\$17,282,238	\$ 294,697	\$ 3,417,663
Cash on hand	2,500	---	---
Cash equivalents:			
State short-term investment fund (STIF)	<u>407,181</u>	<u>---</u>	<u>---</u>
 Total Cash and Cash Equivalents	 <u>\$17,691,919</u>	 <u>\$ 294,697</u>	 <u>\$ 3,417,663</u>

Cash equivalents include short-term, highly liquid investments that are both readily convertible to known amounts of cash with a maturity of 90 days.

B. Deposits

Deposits - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2024, the carrying amount of the District's deposits was \$ 21,404,279 and the bank balance was \$ 21,820,503. Of the District's bank balance, \$ 21,573,003 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 19,390,953
Uninsured and collateralized held by pledging Bank's trust department not in the Region's name	<u>2,182,050</u>
Total amount subject to custodial risk	<u>\$ 21,573,003</u>

C. Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2024, the District's cash equivalents amounted to \$ 407,181. The following table provides a summary of the District's cash equivalents as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year. The State of Connecticut Short-term Investment Fund (STIF) is a "2a7-Like" pool. The fair value of the portion in the pool is the same as the value of the pool shares.

State of Connecticut Short-Term Investment Fund (STIF)	<u>Standard And Poor's AAAm</u>
--	---

D. Investments

At June 30, 2024, the District's investments consisted of the following:

Fiduciary Fund – Pension Trust Types of Investments	<u>Fair Value</u>	<u>Average Credit Rating</u>	<u>Investment Maturity</u>
Mutual Funds	\$ 15,897	unrated	N/A
Fixed income Funds	3,063,657	unrated	N/A
Equity Funds	14,758,512	unrated	N/A
Alternate Investments	<u>2,928,301</u>	unrated	N/A
Total Fiduciary Funds	<u>\$ 20,766,367</u>		

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note "3" – Cash and Cash Equivalents, Deposits, and Investments (continued):

- Ratings by Standard & Poor's are provided where applicable to indicate the associated credit risk. N/A indicates not applicable.
- Interest rate risk - The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
- Credit risk - The District has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations or any State or political subdivision or in obligations of the State of Connecticut or political subdivision.

E. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair values of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District did not hold any investments on June 30, 2024 whose fair value was determined using Level 3 inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the District as of June 30, 2024.

Investments by Fair Value Level	<u>Fair Value Measurements Using:</u>		
	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	<u>Total</u>
Mutual Funds	\$ 15,897	\$ ---	\$ 15,897
Fixed Income Funds	3,063,657	---	3,063,657
Equity Funds	14,758,512	---	14,758,512
Alternative Investments – Partnership Interest	---	<u>2,928,301</u>	<u>2,928,301</u>
Total Investments by Fair Value Level	<u>\$ 17,838,066</u>	<u>\$ 2,928,301</u>	<u>\$ 20,766,367</u>

The District's investments that are classified in Level 1 are measured on a recurring basis, using market quotations for investments that have quoted prices in active markets. The District's investments that are classified in Level 2 are measured using matrix pricing techniques using various pricing vendors. Matrix pricing is used to value securities based on their relationship to benchmark quoted prices. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by our custodian bank.

Pomperaug Regional School District #15
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Notes to Financial Statements

Note “4” – Receivables and Due from State of Connecticut:

Receivables and amounts due from State of Connecticut at June 30, 2024 consisted of intergovernmental grants and entitlements. All receivables are considered collectible in full based on prior years’ experience and the stable condition of State programs.

Note "5" - Interfund Accounts – Due to/from Other Funds:

At June 30, 2024 the amounts due to and from other funds were as follows:

	<u>Due from</u> <u>Other Funds</u>	<u>Due to</u> <u>Other Funds</u>
General Fund	\$ 177,211	\$ 1,827
Capital Reserve Fund	1,827	---
Student Activities	---	172
State and Federal Grants Fund	---	<u>177,039</u>
Total	<u>\$ 179,038</u>	<u>\$ 179,038</u>

These 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 systems, and (3) payments between funds are made.

Note “6” – Capital Assets:

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2024</u>
	\$	\$	\$	\$
Governmental activities				
Capital assets, not being depreciated				
Land	2,186,069	---	---	2,186,069
Construction in progress	---	2,473,051	---	2,473,051
Capital assets, being depreciated:				
Buildings and improvements and land				
Improvements	91,720,366	267,452	---	91,987,818
Furniture and equipment	1,357,383	158,367	---	1,515,750
Right-to-use equipment	---	<u>240,000</u>	---	<u>240,000</u>
Total capital assets	<u>95,263,818</u>	<u>3,138,870</u>	---	<u>98,402,688</u>
Accumulated depreciation for:				
Buildings and improvements	(55,273,792)	(2,281,185)	---	(57,554,977)
Furniture and equipment	(1,366,228)	(127,412)	---	(1,493,640)
Right-to-use equipment	---	<u>(20,000)</u>	---	<u>(20,000)</u>
Total accumulated depreciation	<u>(56,640,020)</u>	<u>(2,428,597)</u>	---	<u>(59,068,617)</u>
Total capital assets, being depreciated, net	<u>36,437,729</u>	<u>(1,762,778)</u>	---	<u>34,674,951</u>
Governmental activities capital assets, net	<u>\$ 38,623,798</u>	<u>\$ 710,273</u>	<u>\$ ---</u>	<u>\$ 39,334,071</u>

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note "7" - Long-Term Debt:

The following is a summary of activity for the year ended June 30, 2024.

	<u>Balance</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Amounts</u> <u>Due in One</u> <u>Year</u>
	\$	\$	\$	\$	\$
<u>General Obligation Refunding</u> <u>Bond</u> Issued dated January 1, 2011, and refunded on July 2, 2020 payable in one more annual installment of \$805,000 in 2025. The interest rate is 1.28%	1,715,000	---	910,000	805,000	805,000
<u>Equipment Lease Payable</u> Commencing September 8, 2023, payable over 4 years. The interest rate is 8.49%.	---	240,000	65,080	174,920	53,625
<u>Compensated Absences & Other</u> <u>Leave Benefits</u> Vested and accumulated severance and sick leave	234,839	2,811,727	---	3,046,566	---
<u>Net Pension Liability</u>	10,070,135	2,770,344	3,165,609	9,674,870	---
<u>Net OPEB Liability*</u>	<u>8,439,046</u>	<u>517,046</u>	<u>536,174</u>	<u>8,419,918</u>	<u>---</u>
<u>Totals</u>	<u>\$20,459,020</u>	<u>\$6,339,117</u>	<u>\$4,676,863</u>	<u>\$22,121,274</u>	<u>\$858,625</u>

*The Net OPEB obligation as updated to the total OPEB Liability with the implementation of GASB 75.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "7" - General Long-Term Debt (continued):

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds and equipment financing:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	858,625	20,003	878,628
2026	58,178	10,298	68,476
2027	<u>63,117</u>	<u>5,359</u>	<u>68,476</u>
	<u>\$ 979,920</u>	<u>\$ 35,660</u>	<u>\$ 1,015,580</u>

Note "8" – Bond Anticipation Notes

The District uses bond anticipation notes to fund construction costs prior to issuance of bonds. The following table summarizes changes in the District's Bond Anticipation Notes for the year ended June 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Bond Anticipation Note	\$ ---	\$ 11,275,000.00	\$ ---	\$ 11,275,000.00
Unamortized Premium	---	68,214.00	---	68,214.00
	<u>\$ ---</u>	<u>\$ 11,343,214.00</u>	<u>\$ ---</u>	<u>\$ 11,343,214.00</u>

Note "9" - Operating Deficiencies and Fund Deficits:

As of June 30, 2024 none of the Region's individual funds had deficiencies of revenue over expenditures and/or fund deficits.

Note "10" - Employees Retirement System, Non-certified Employee Plan

A. General Information about the Pension Plan:

Pomperaug Regional School District #15 is the administrator of a single-employer public employee retirement system (PERS) established and administered by the Board of Education for its non-certified employees. The PERS is considered to be part of the District's reporting entity and is included in the District's financial reports as a pension trust fund. The membership of the plan consisted of the following at July 1, 2023, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	129
Inactive plan members entitled to but not yet receiving benefits	16
Active plan members	<u>91</u>
Total Members	<u>236</u>

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "10" - Employees Retirement System, Non-certified Employee Plan (continued):

The plan is a contributory single employer, defined benefit plan and covers substantially all full-time and all regular part-time non-certified employees who are hired prior to age 60 and who work 25 hours per week or more. Participants who have attained their normal retirement date are eligible for a normal retirement benefit. Normal retirement date is the first day of the month coincident with or next following the later of the participant's 65th birthday or the completion of 10 years of service, whichever is later. However, for members of the custodians' union, this date is the later of age 61 or the completion of 10 years of service. Effective July 1, 2011, all newly hired nurses, secretaries and instructional assistants shall not be eligible to participate. The retirement benefit is as follows:

Secretaries, Instructional Assistants: If participant does not make contributions, 1.5% of highest 3-year average salary times Credited Service limited to 30 years. If contributes .25% of salary, percentage increases to 1.6%. If contributes .65% of salary, percentage increases to 1.7%. If contributes .85%, percentage increases to 1.8%.

Custodians: Effective July 1, 2002, 1.8% of highest 3-year average salary times credited service and effective July 1, 2003, 1.9% of highest 3-year average salary times credited service. Effective July 1, 2004, 2% of highest 3-year average salary times credited service. Effective July 1, 2008, 2.2% of highest 3-year average salary times credited service. Effective July 1, 2004, service is not limited to 30 years. Custodians are required to contribute 1.9% of salary.

Nurses: If participant does not make contributions, 1.5% of highest 3-year average salary times Credited Service. If contributes .60% of salary, percentage increases to 1.6%.

Cafeteria Workers and Therapists: 1.5% of highest 5-year average salary times Credited Service.

Non-Union Employees: If participant does not make contributions, 1.5% of highest 3-year average salary times Credited Service. If contributes .25% of salary, percentage increases to 1.6%. If contributes .65% of salary, percentage increases to 1.7%. If contributes .85% percentage increases to 1.8%. Effective July 1, 2005, service is not limited to 30 years.

Early Retirement

Eligibility: Participants with 10 or more years of service may retire any time after age 55.

Benefit Formula: The same as normal retirement, if payments commence at age 65. If the payments commence at the participant's early retirement date, the benefit will be reduced by one-half of 1% for each complete calendar month that the participant's early retirement date precedes his normal retirement date. However, for secretaries, instructional assistants, and non-union employees, the above reduction applies prior to age 60. To age 60, the reduction is one-quarter of 1% per month.

Late Retirement Benefit

Benefits commence first of the month on or after termination. Benefit is payable based on service and compensation as of that date.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "10" - Employees Retirement System, Non-certified Employee Plan (continued)

Termination Prior to Retirement

Vesting: Age 40 and 10 years of service.

Benefit: A monthly normal retirement benefit equal to 1 ½ of the member’s Average Monthly Salary, multiplied by Credited Service (maximum of 30 years).

B. Authority and Funding Policy:

The Board of Education has established the benefit provisions and contributions to the plan. The Board is also authorized to make changes to the plan provisions through the budgetary process.

The District’s funding policy provides for periodic employer contributions at actuarially determined rates that are sufficient to accumulated the assets to pay benefits when due. Covered employees with the exception of custodians whom are required to contribute 1.9% of salary are not required to contribute anything to the PERS.

C. Summary of Significant Accounting Policies:

Basis of Accounting

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

Valuation of Investments

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

D. Investments:

Investment Policy: The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Board of Education Finance Committee by a majority vote of its members. It is the policy of the Board of Education to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board’s adopted asset allocation policy as of June 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>
US Bonds	14.00%
US Bonds- Dynamic	4.00%
Large Cap Equity	31.00%
Mid Cap Equity	4.00%
Small Cap Equity	5.00%
International Equity	15.00%
EM Equity	6.00%
Broad Real Assets	5.00%
Marketable Alternatives	8.00%
Private Equity	8.00%
	<u>100.00%</u>

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "10" - Employees Retirement System, Non-certified Employee Plan (continued)

The following investments represent 5% or more of plan net assets:

Fidelity 500 Index Fund	\$ 6,312,274	29.97%
Fidelity Total International Index Fund	\$ 2,399,717	11.39%
Fidelity Extended Market Index Fund	\$ 2,086,955	9.91%
EuroPacific Growth Fund	\$ 1,201,609	5.71%
Dodge & Cox International Stock Fund	\$ 1,198,407	5.69%
Baird Aggregate Bond Fund	\$ 1,103,178	5.24%
PGIM Total Return Bond Fund	\$ 1,099,339	5.22%

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 expense, was 11.38%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability of the District

The components of the net pension liability at June 30, 2024, were as follows:

Total pension liability	\$30,569,183
Plan fiduciary net position	<u>20,894,313</u>
Net pension liability	<u>\$ 9,674,870</u>

Plan fiduciary net position as a percentage of the total pension liability 68.35 %

F. Actuarial Assumptions

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

Inflation:	2.50%
Rate of compensation increase (including inflation)	3.50%
Investment Rate of Return: (net of investment-related and administrative expense)	6.75%

Mortality:

Current: Pub-2010 Public Retirement Plans Mortality Tables for General employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.

Prior: Pub-2010 Public Retirement Plans Mortality Tables for General employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan's target asset allocation.

The following information is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. The results support a rate between 6.50% and 7.25%. An expected rate of return of 6.75% was used.

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note "10" - Employees Retirement System, Non-certified Employee Plan (continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
US Bonds	2.20%
US Bonds- Dynamic	2.80%
Large Cap Equity	3.90%
Mid Cap Equity	3.90%
Small Cap Equity	3.70%
International Equity	6.10%
EM Equity	8.00%
Broad Real Assets	4.00%
Marketable Alternatives	5.30%
Private Equity	6.90%

G. Discount Rate:

Based on the plan's current net pension liability and current contribution policy, the plan's projected fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, since the fund is not projected to run out of money, the 6.75% interest rate assumption was used to discount plan liabilities.

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

The following presents the net pension liability of the District, calculated using the discount rate of 6.75%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	<u>Current Discount Rate</u>	<u>1% Decrease</u>	<u>1% Increase</u>
Net pension liability as of June 30, 2024	<u>6.75%</u> \$ 9,674,870	<u>5.75%</u> \$ 12,877,684	<u>7.75%</u> \$ 6,920,533

I. Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balances as of June 30, 2023	\$ 29,311,316	\$ 19,241,181	\$ 10,070,135
Changes for the Year:			
Service cost	517,254	---	517,254
Interest	1,964,898	---	1,964,898
Differences between expected and actual experience	237,543	---	237,543
Changes in assumptions	---	---	---
Contributions – employer	---	1,010,000	(1,010,000)
Contributions – member	---	49,223	(49,223)
Net investment income	---	2,055,737	(2,055,737)
Benefit payments, including refunds of member contributions	(1,461,828)	(1,461,828)	---
Net changes	<u>1,257,867</u>	<u>1,653,132</u>	<u>(395,265)</u>
Balances as of June 30, 2024	<u>\$ 30,569,183</u>	<u>\$ 20,894,313</u>	<u>\$ 9,674,870</u>

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements

Note "10" - Employees Retirement System, Non-certified Employee Plan (continued)

J. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions are reported as follows:

For the fiscal year ended June 30 2024, the recognized pension expense is \$1,206,455. As of June 30, 2024, deferred outflows of resources and deferred inflows of resources related to pensions are reported as follows:

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 152,706	\$(41,442)
Changes of assumptions	7,480	---
Net difference between projected and actual earnings		
On pension plan investments	---	\$(478,415)
Total	<u>\$ 160,186</u>	<u>\$(519,857)</u>

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

<u>Year Ended June 30:</u>	
2025	\$ (314,854)
2026	372,649
2027	(263,403)
2028	(154,063)
2029	---
	<u>(359,671)</u>

Note "11" - State of Connecticut Teachers' Retirement System

A. General Information about the Pension Plan

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

B. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Teachers Retirement System have been determined on the same basis as they are reported by the Connecticut Teachers Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "11" - State of Connecticut Teachers' Retirement System (Continued)

C. Benefit Provision

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

Normal Retirement: Retirement benefits for the employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of 6% contributions made prior to July 1, 1989 and voluntary contributions are payable.

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

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

D. Contributions

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

Employer (School District): School district employers are not required to make contributions to the plan.

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

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "11" - State of Connecticut Teachers' Retirement System (continued):

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

At June 30, 2024 the District reports no amounts for its proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources, due to the statutory requirement that the State of Connecticut pay 100 percent of the required contribution.

The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	---
State's proportionate share of the net pension liability associated with the District		<u>122,928,558</u>
Total		<u>\$ 122,928,558</u>

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

For the year ended June 30, 2024, the District recognized pension expense and revenue of \$11,769,698 for on-behalf amounts for the benefits provided by the State.

F. Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined 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	6.9%, net of pension plan investment expense, including inflation

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

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "11" - State of Connecticut Teachers' Retirement System (continued):

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2022.

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

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37.0%	6.8%
Public Credit	2.0%	2.9%
Core Fixed Income	13.0%	0.4%
Liquidity Fund	1.0%	-0.4%
Risk Mitigation	5.0%	0.1%
Private Equity	15.0%	11.2%
Private Credit	10.0%	6.1%
Real Estate	10.0%	6.2%
Infrastructure and Natural	7.0%	7.7%
Total	<u>100.0%</u>	

G. 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 the State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "11" - State of Connecticut Teachers' Retirement System (continued):

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

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

I. Pension Plan Fiduciary Net Position

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

J. Other Information

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

Note "12" – Risk Management and Unpaid Claims Liabilities:

The District is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage for all risks of loss, including workers' compensation insurance and employee health and accident insurance.

Medical Self-Insurance

The District entered into a Cooperative Agreement with the Town of Middlebury, effective July 1, 2014, to facilitate the group purchase of health benefits for active employees and non-Medicare eligible retirees. During 2023-2024, total claims expense of \$12,177,698 was incurred by the District. This expense represents claims processed and an estimate for claims incurred but not reported as of June 30, 2024.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2024 of \$932,284.

Premium payments are reported as interfund services provided and used for the General Fund and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the General Fund.

A schedule of changes in the claims liability for the year ended June 30, 2023 is presented below:

	Accrued Liability Beginning of Fiscal Year	Current Year Claims Paid and Changes in Estimates	Accrued Liability Claim Payments	Accrued Liability End of Fiscal Year
2023-2024	\$ <u>652,034</u>	\$ <u>12,457,948</u>	\$ <u>12,177,698</u>	\$ <u>932,284</u>

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "13" - Commitments and Contingencies:

Litigation:

It is the opinion of the school district officials that there are no material or substantial claims against the district, which will be finally determined so as to result in a judgment or judgments against the district, which would materially affect its financial position.

Grant Programs:

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

Note "14" – Post Retirement Benefits

A. General Information about the Post Retirement Plan

Pomperaug Regional School District #15 has a single-employer defined benefit plan that provides post-retirement benefits, including medical and life insurance benefits, to eligible retirees and their spouses. The post-retirement plan does not issue stand-alone financial statements

The District currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2024, the District has not established a trust fund to irrevocably segregate assets to fund liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines.

The membership of the plan consisted of the following at July 1, 2022, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	19
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>406</u>
Total	<u>425</u>

B. Authority and Funding Policy:

The Board of Education has established the benefit provisions and contribution to the plan. The contribution requirements of plan members and the District are established and may be amended by the District. The District determines the required contribution using the Entry Age Normal Method. The Board is also authorized to make changes to the plan provisions through the budgetary process.

The District has not established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits in accordance with GASB guidelines. Although a trust fund may not be established in the future to exclusively control the funding and reporting of post-employment benefits, the District anticipates a commitment to fund normal costs as well as long-term approach for the amortization of the actuarial accrued liability. The goal is to absorb, within the budgetary process, the annual OPEB cost of benefits and to segregate the needed resources.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "14" – Post Retirement Benefits (continued):

C. Net Other Post Employment Benefit (OPEB) Liability of the District

The components of the net OPEB liability at June 30, 2024, were as follows:

Total OPEB liability	\$ 8,419,918
Plan fiduciary net position	---
Net OPEB liability	<u>\$ 8,419,918</u>

Plan fiduciary net position as a percentage of the total OPEB liability 0 %

D. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement Date:	June 30, 2024
Actuarial Cost Method:	Entry Age Normal
Inflation:	2.50%
Salary Increases:	2.50%
Medical Trend Rate:	6.50% in 2022, reducing by .20% each year to an ultimate rate of 4.50% per year rate for 2032 and later.
Mortality Rate:	Pub-2010 Public Retirement Plans Mortality Tables for Teachers and General Employees, for non-annuitants, projected to the valuation date with Scale MP-2021.

The plan does not have credible data on which to perform an experience study. As a result, a full actuarial experience study is not applicable.

E. Sensitivity of the OPEB Liability to Changes in the Discount Rate and Trend Rate

The following presents the net OPEB liability of the District, calculated using the discount rate of 3.93%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.93%) or 1 percentage point higher (4.93%) than the current rate:

	<u>1% Decrease</u> 2.93%	<u>Current Discount Rate</u> 3.93%	<u>1% Increase</u> 4.93%
Total OPEB Liability	\$9,378,519	\$ 8,419,918	\$ 7,591,043
Plan Fiduciary Net Position	\$ ---	\$ ---	\$ ---
Net OPEB Liability	\$9,378,519	\$ 8,419,918	\$ 7,591,043

The following presents the net OPEB liability of the District, calculated using the trend rate of 4.50%, as well as what the District's net OPEB liability would be if it were calculated using a trend rate that is 1 percentage point lower (3.50%) or 1 percentage point higher (5.50%) than the current rate:

	<u>1% Decrease</u> 3.50%	<u>Current Trend Rate</u> 4.50%	<u>1% Increase</u> 5.50%
Total OPEB Liability	\$ 7,368,681	\$ 8,419,918	\$9,666,276
Plan Fiduciary Net Position	\$ ---	\$ ---	\$ ---
Net OPEB Liability	\$ 7,368,681	\$ 8,419,918	\$9,666,276

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "14" – Post Retirement Benefits (continued):

F. Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of June 30, 2023	\$ 8,439,046	\$ ---	\$ 8,439,046
Changes for the Year:			
Service cost	175,824	---	175,824
Interest cost	314,919	---	314,919
Differences between expected and actual	(281,853)	---	(281,853)
Benefits paid	26,303	---	26,303
Changes of assumptions	(254,321)	---	(254,321)
Net changes	<u>(19,128)</u>	<u>---</u>	<u>(19,128)</u>
Balances as of June 30, 2024	<u>\$ 8,419,918</u>	<u>\$ ---</u>	<u>\$ 8,419,918</u>

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

For the year ended June 30, 2024, the District recognized OPEB expense of (\$201,708). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ ---	\$(4,204,842)
Changes of assumptions	<u>943,412</u>	<u>(1,983,477)</u>
	<u>\$ 943,412</u>	<u>\$(6,188,319)</u>

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

Year Ending June 30,	
2025	\$(662,205)
2026	(662,205)
2027	(662,205)
2028	(662,205)
2029	(662,205)
Thereafter	<u>(1,933,882)</u>
	<u>\$(5,244,907)</u>

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "15" - State of Connecticut Teachers' Retirement System: Other Postemployment Benefits

A. General Information about the Other Postemployment Benefits (OPEB) Plan

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

B. Summary of Significant Accounting Policies

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the TRS have been determined on the same basis as they are reported by the Connecticut Teachers Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions*" (GASB 75) was issued in June 2015 and is effective for employers' fiscal years beginning after June 15, 2017, with early adoption permitted. The TRB has chosen to early adopt GASB 75. GASB 75 establishes accounting and financial reporting requirements for governmental employers who sponsor or participate in OPEB plans.

C. Benefit Provision

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

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

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "15" - State of Connecticut Teachers' Retirement System: OPEB (continued):

C. Benefit Provision (continued):

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

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

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

Normal Retirement: 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.

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

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility.

D. Contributions

State of Connecticut: Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates for one third of plan costs through an annual appropriation in the General Fund. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School District): School district employers are not required to make contributions to the plan.

Employees/Retirees: Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the plan.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "15" - State of Connecticut Teachers' Retirement System: OPEB (continued):

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

At June 30, 2024, the District reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution.

The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ ---
State's proportionate share of the net OPEB liability associated with the District	<u>11,516,718</u>
Total	<u>\$ 11,516,718</u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of June 30, 2023. At June 30, 2024, the District has no proportionate share of the net OPEB liability. For the year ended June 30, 2024, the District recognized OPEB expense and revenue of \$1,356,744 for on-behalf amounts for the benefits provided by the State.

F. Actuarial Assumptions

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

Inflation	2.50%
Real wage growth	0.50%
Wage inflation	3.00%
Salary increases	3.00-6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
<u>Municipal bond index rate:</u>	
Measurement date	3.65%
Prior measurement date	3.54%
<u>Single equivalent interest rate:</u>	
Measurement date	3.64%, net of OPEB plan investment expense, including price inflation
Prior measurement date	2.53%, net of OPEB plan investment expense, including price inflation
<u>Healthcare cost trend rates:</u>	
Medicare	Known increases until calendar year 2024, then general trend decreasing to 4.5% by 2031.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "15" - State of Connecticut Teachers' Retirement System: OPEB (continued):

D. Actuarial Assumptions (continued):

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

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2017-June 30, 2021.

The discount rate was increased from 2.17% to 3.53% to reflect the change in the Municipal Bond Index rate. Changes were also made to the assumed initial per capita healthcare costs, rates of healthcare inflation used to project the per capital costs, and the rates of Plan participation based upon recent experience and current expectations. In addition, the payroll growth rate assumption remained constant at 3.00%. Lastly, the salary growth assumption, the payroll growth rate, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the TRB.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected 10-Year Geometric Real Rate of Return</u>	<u>Standard Deviation</u>
U.S. Treasuries (Cash Equivalents)	100.0%	0.77%	1.09%
Price Inflation		2.50%	
Expected rate of return		3.25%	

G. Discount Rate

The discount rate used to measure the total OPEB liability was 3.64%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2023.

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note "15" - State of Connecticut Teachers' Retirement System: OPEB (continued):

G. Discount Rate (continued):

In addition to the actuarial methods and assumptions of the June 30, 2023 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 annual 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 2028 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

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

I. Plan Fiduciary Net Position

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

J. Other Information

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

Note "16" – Interfund Transfers:

At June 30, 2024, interfund transfers consisted of the following. These 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 systems, and (3) payments between funds are made.

Debt Service	\$ 926,128
Total General Fund	<u>\$ 926,128</u>

**Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Notes to Financial Statements**

Note “16” – Interfund Transfers (continued):

Eliminations

Interfund receivables, payables, and transfers are reported in the governmental fund financial statements. In the entity-wide statements, interfund receivables, payables and transfers are eliminated within the governmental activities column.

Note “17” – Subsequent Events:

In connection with the preparation of the financial statements of Pomperaug Regional School District #15, subsequent events were evaluated through January 3, 2025, which is the date the financial statements were available to be issued.

Note “18” – Upcoming Pronouncements

GASB Pronouncements Issued, But Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

GASB Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosure of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for the District’s reporting period beginning July 1, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the District’s reporting period beginning July 1, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for the District’s reporting period beginning July 1, 2023.

GASB Statement No. 101, *Compensated Absences*. The objectives of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previous disclosures. The requirements of this statement are effective for the District’s period beginning July 1, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

Pomperaug Regional School District #15
Towns of Middlebury and Southbury
Schedule Of Revenue, Expenditures And Changes In Fund Balances
Budget and Actual (NON-GAAP BUDGETARY BASIS)
General Fund
Year Ended June 30, 2024

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Participating towns			
Town of Middlebury	\$ 28,509,280	\$ 28,509,280	\$ ---
Town of Southbury	53,858,679	53,858,679	---
Other			
Investment income	---	294,428	294,428
State/Federal income	3,124,026	2,444,896	(679,130)
Other income	406,850	381,507	(25,343)
Total Revenue	85,898,835	85,488,790	(410,045)
Expenditures:			
Current			
Salaries - certified	36,256,425	35,881,478	374,947
Salaries - classified	11,227,013	10,732,237	494,776
Employee benefits	15,093,116	14,740,230	352,886
Instructional programs	4,000,009	3,529,182	470,827
Tuition	6,591,363	6,323,821	267,542
Administrative services	1,034,705	1,151,074	(116,369)
Transportation	6,242,637	6,499,557	(256,920)
Plant operation	3,871,695	5,472,358	(1,600,663)
Total Expenditures	84,316,962	84,329,937	(12,975)
Operating Transfers in (out) :			
Specific capital improvements	1	---	1
Educational expenditures	---	232,725	(232,725)
Debt service fund	1,581,872	926,128	655,744
Total Expenditures and Operating Transfers	85,898,835	85,488,790	410,045
Excess of Revenue Over Expenditures and Transfers	---	---	---
Fund Balance - beginning of year	---	---	---
Fund Balance - end of year	\$ ---	\$ ---	\$ ---

Pomperaug Regional School District #15
Pension Trust Fund
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service Cost	\$ 517,254	\$ 561,036	\$ 577,657	\$ 573,685	\$ 584,338	\$ 603,018	\$ 599,337	\$ 596,706	\$ 523,248	\$ 539,861
Interest	1,964,898	1,902,968	1,837,618	1,804,025	1,684,440	1,629,740	1,534,200	1,478,898	1,372,148	1,283,679
Differences between expected and actual experience	237,543	(62,144)	(164,812)	(256,216)	(404,121)	(447,055)	226,956	(212,875)	431,845	(142,049)
Change of assumptions	-	-	63,577	492,128	872,128	(67,628)	(151,862)	(301,431)	1,132,617	136,421
Benefit payments, including refunds of member contributions	(1,461,828)	(1,420,063)	(1,241,397)	(1,091,248)	(946,709)	(890,202)	(806,117)	(742,775)	(660,837)	(583,972)
Net change in total pension liability	1,257,867	981,797	1,072,643	1,522,374	1,790,076	827,873	1,402,514	818,523	2,799,021	1,233,940
Total pension liability - beginning	29,311,316	28,329,519	27,256,876	25,734,502	23,944,426	23,116,553	21,714,039	20,895,516	18,096,495	16,862,555
Total pension liability - ending	30,569,183	29,311,316	28,329,519	27,256,876	25,734,502	23,944,426	23,116,553	21,714,039	20,895,516	18,096,495
Plan fiduciary net position:										
Contributions - employer	1,010,000	980,000	950,000	1,015,000	900,000	750,000	950,000	870,000	750,000	625,000
Contributions - member	49,223	49,006	50,191	50,766	53,280	51,634	52,243	52,153	51,098	49,487
Net investment income/(loss)	2,055,737	1,741,339	(1,531,649)	4,439,241	(425,773)	497,541	1,086,778	1,697,722	(736,267)	259,310
Benefit payments, including refunds of member contributions	(1,461,828)	(1,420,063)	(1,241,397)	(1,091,248)	(946,709)	(890,202)	(806,117)	(742,775)	(660,837)	(583,972)
Administrative expenses	-	-	-	-	-	-	-	-	-	(20,700)
Net change in plan fiduciary net position	1,653,132	1,350,282	(1,772,855)	4,413,759	(419,202)	408,973	1,282,904	1,877,100	(596,006)	329,125
Plan fiduciary net position - beginning	19,241,181	17,890,899	19,663,754	15,249,995	15,669,197	15,260,224	13,977,320	12,100,220	12,696,226	12,367,101
Plan fiduciary net position - ending	20,894,313	19,241,181	17,890,899	19,663,754	15,249,995	15,669,197	15,260,224	13,977,320	12,100,220	12,696,226
Net Pension Liability - Ending	\$ 9,674,870	\$ 10,070,135	\$ 10,438,620	\$ 7,593,122	\$ 10,484,507	\$ 8,275,229	\$ 7,856,329	\$ 7,736,719	\$ 8,795,296	\$ 5,400,269
Plan fiduciary net position as a percentage of the total pension liability	68.35%	65.64%	63.15%	72.14%	59.26%	65.44%	66.01%	64.37%	57.91%	70.16%
Covered employee payroll	\$ 4,719,247	\$ 4,724,216	\$ 5,027,802	\$ 5,425,358	\$ 5,795,221	\$ 6,145,221	\$ 6,090,603	\$ 6,255,832	\$ 6,198,768	\$ 6,235,215
Net pension liability as a percentage of covered employee payroll	205.01%	213.16%	207.62%	139.96%	180.92%	134.66%	128.99%	123.67%	141.89%	86.61%

**Pomperaug Regional School District #15
Pension Trust Fund
Schedule of Employer Contributions
Last Ten Fiscal Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,568,241	\$ 1,570,839	\$ 1,623,136	\$ 1,507,584	\$ 1,446,699	\$ 1,473,148	\$ 1,335,493	\$ 1,299,426	\$ 1,066,552	\$ 1,031,473
Contributions in relation to the actuarially determined contribution	<u>1,010,000</u>	<u>980,000</u>	<u>950,000</u>	<u>1,015,000</u>	<u>900,000</u>	<u>750,000</u>	<u>950,000</u>	<u>870,000</u>	<u>750,000</u>	<u>625,000</u>
Contribution Deficiency (Excess)	<u>558,241</u>	<u>590,839</u>	<u>673,136</u>	<u>492,584</u>	<u>546,699</u>	<u>723,148</u>	<u>385,493</u>	<u>429,426</u>	<u>316,552</u>	<u>406,473</u>
Covered employee payroll	\$ 4,719,247	\$ 4,724,216	\$ 5,027,802	\$ 5,425,358	\$ 5,795,221	\$ 6,145,221	\$ 6,255,832	\$ 6,255,832	\$ 6,198,768	\$ 6,235,215
Contributions as a percentage of covered employee payroll	21.40%	20.74%	18.89%	18.71%	15.53%	12.20%	15.19%	13.91%	12.10%	10.02%

Notes to Schedule

Valuation date: July 1, 2023
Measurement date: June 30, 2024
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Actuarial Cost Method
Amortization method	Level dollar: open
Remaining amortization period	15 years
Asset valuation method	The actuarial value of assets used in the development of plan contribution phase in recognition of the difference between the actual market value and the expected return on market value over a 3 year period at 33% per year.
Inflation	2.50%
Salary increases	3.50%
Investment rate of return	6.75%
Retirement age	65 years
Mortality	Pub-2010 Public Retirement Plans Mortality Tables for General employees, for non-annuitants and annuitants, projected to the valuation date with Scale MP-2021

**Pomperaug Regional School District #15
Pension Trust Fund
Schedule of Investment Returns
Last Ten Fiscal Years**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	10.52%	9.58%	-7.78%	29.44%	-2.77%	3.34%	7.83%	14.04%	-5.62%	2.09%

Pomperaug Regional School District #15
Schedule of the District's Proportionate Share of the Net Pension Liability
State of Connecticut Teachers' Retirement System
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the District	122,928,558	131,113,673	107,405,209	135,611,187	119,421,515	92,080,926	96,136,637	101,424,888	81,473,657	75,306,069
Total	\$ 122,928,558	\$ 131,113,673	\$ 107,405,209	\$ 135,611,187	\$ 119,421,515	\$ 92,080,926	\$ 96,136,637	\$ 101,424,888	\$ 81,473,657	\$ 75,306,069
District's covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization method	17.6 years
Asset valuation method	4-year smoothed market
Investment rate of return	6.90%, net of investment-related expense, including inflation
Salary increases	3.00%-6.50% average, including inflation
Inflation	2.50%

District's covered-employee payroll Not applicable since 0% proportionate share of the net pension liability

Pomperaug Regional School District #15
Schedule of the District's Proportionate Share of the Net OPEB Liability
State of Connecticut Teachers' Retirement System
Last Seven Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	11,516,718	11,482,551	11,701,601	20,226,413	18,624,458	18,407,558	24,744,484
Total	\$ 11,516,718	\$ 11,482,551	\$ 11,701,601	\$ 20,226,413	\$ 18,624,458	\$ 18,407,558	\$ 24,744,484
District's covered-employee payroll	\$ N/A						
District's proportionate share of the net OPEB liability as a percentage of its covered-employee 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%	1.79%

Notes to Schedule

Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization method	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment-related expense
Price inflation	2.50%

District's covered-employee payroll Not applicable since 0% proportionate share of the net OPEB liability

Pomperaug Regional School District #15
Schedule of Changes in Net OPEB Liability and Related Ratios
Other Post Employment Benefits (OPEB)
Last Seven Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:							
Service Cost	\$ 175,824	\$ 194,700	\$ 254,641	\$ 282,820	\$ 200,714	\$ 280,862	\$ 281,215
Interest Cost	314,919	348,445	243,982	252,463	330,941	482,603	445,357
Benefit payments	26,303	97,147	40,190	180,591	(54,473)	(42,794)	(216,877)
Difference between expected and actual experience	(281,853)	(1,697,250)	(314,968)	(382,737)	(261,115)	(3,755,671)	(122,481)
Changes of assumptions	(254,321)	(104,222)	(1,644,444)	(363,335)	1,580,130	79,136	(442,954)
Net change in total OPEB liability	(19,128)	(1,161,180)	(1,420,599)	(30,198)	1,796,197	(2,955,864)	(55,740)
Total OPEB liability - beginning	8,439,046	9,600,226	11,020,825	11,051,023	9,254,826	12,210,690	12,266,430
Total OPEB liability - ending	8,419,918	8,439,046	9,600,226	11,020,825	11,051,023	9,254,826	12,210,690
Plan fiduciary net position:							
Plan fiduciary net position at end of the year	-	-	-	-	-	-	-
Net OPEB Liability	\$ 8,419,918	\$ 8,439,046	\$ 9,600,226	\$ 11,020,825	\$ 11,051,023	\$ 9,254,826	\$ 12,210,690
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered employee payroll	35,920,893	35,044,774	32,775,857	31,976,446	31,295,581	30,352,274	30,636,352
Net OPEB liability as a percentage of covered employee payroll	23.44%	24.08%	29.29%	34.47%	35.31%	30.31%	39.86%

Appendix B

Form of Opinion of Bond Counsel

APPENDIX B – FORM OF OPINION OF BOND COUNSEL

January __, 2026

Regional School District No. 15
286 Whittemore Road
Middlebury, CT 06762

We have acted as Bond Counsel to Regional School District No. 15 of the State of Connecticut (the “District”) in connection with the issuance by the District of its \$_____ General Obligation Bonds, Issue of 2026 (the “Bonds”) dated January __, 2026. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents of the District (including, but not limited to, a Tax Regulatory Agreement of the District dated the date hereof (the “Agreement”)) and the Towns of Middlebury and Southbury, Connecticut (the “Member Towns”) as we have deemed necessary to give the opinions below.

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

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

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

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

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

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

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

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

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

Respectfully,

PULLMAN & COMLEY, LLC

Appendix C

Form of Continuing Disclosure Agreement

APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

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

Continuing Disclosure Agreement

This Continuing Disclosure Agreement (“Agreement”) is made as of January __, 2026 by Regional School District Number 15 of the State of Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of \$ _____ General Obligation Bonds, Issue of 2026, dated as of January __, 2026 (the “Bonds”), for the benefit of the beneficial owners from time to time of the Bonds.

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

“Final Official Statement” means the official statement of the Issuer dated January __, 2026 prepared in connection with the Bonds.

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

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

“Rule” means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement. “SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial information.

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2025) as follows:

(i) Financial statements of the Issuer's general fund and, any special revenue, capital projects and trust or agency funds, for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

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

- (A) amounts of the gross and the net taxable grand list of each of the Issuer's member towns applicable to the fiscal year,
- (B) listing of the ten largest taxpayers on the applicable grand list of each of the Issuer's member towns, together with each such taxpayer's taxable valuation thereon,

- (C) percentage of the annual property tax levy of each of the Issuer's member towns uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-teen bonded indebtedness of the Issuer and of each of the Issuer's member towns as of the close of the fiscal year,
- (E) calculation of total direct debt, total net direct debt, and total overall net debt (reflecting overlapping and underlying debt), of the Issuer and each of the Issuer's member towns, as of the close of the fiscal year,
- (F) total direct debt, total net direct debt and total overall net debt of the Issuer and of each of its member towns per capita,
- (G) ratios of the total direct debt, total net direct debt and total overall net debt of the Issuer and of each of its member towns to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation of the Issuer and of each of its member towns as of the close of the fiscal year, funding status of the Issuer's pension benefit obligation of the Issuer and of each of its member towns, and
- (I) annual assessments by the Issuer on each of its member towns for the applicable fiscal year.

(iii) Audited financial statements of each of the Issuer's member towns for the prior fiscal year, if available, which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, each of the Issuer's member towns prepares its financial statements in accordance with generally accepted accounting principles.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

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

Section 3. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;

- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.
- (q) Events (d) and (e). The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.
- (r) Event (f). Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.
- (s) Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not otherwise contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

(t) Events (o) and (p). The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

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

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

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

Section 6. Termination.

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

Section 7. Enforcement.

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Director of Finance and Business Operations, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Director of Finance and Business Operations is Regional School District Number 15, 286 Whittemore Road, Middlebury, Connecticut 06762.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 8. Miscellaneous.

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

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

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

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

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

REGIONAL SCHOOL DISTRICT NUMBER 15

By: _____
MARION MANZO
Chairman of the Board of Education

By: _____
HEATHER RODGERS
Treasurer

Appendix D

Notice of Sale

APPENDIX D – NOTICE OF SALE

NOTICE OF SALE

**REGIONAL SCHOOL DISTRICT NO. 15 OF THE STATE OF CONNECTICUT
\$10,525,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026
BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS solely via **PARITY**® will be received by REGIONAL SCHOOL DISTRICT NO. 15 OF THE STATE OF CONNECTICUT (the “Issuer”), until 11:30 A.M. (E.T.) on WEDNESDAY,

JANUARY 14, 2026

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$10,525,000 General Obligation Bonds, Issue of 2026, dated January 23, 2026 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on August 15 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Maturity</u>	<u>Amount (\$)</u>
2027	505,000	2038	500,000
2028	505,000	2039	500,000
2029	505,000	2040	500,000
2030	505,000	2041	500,000
2031	505,000	2042	500,000
2032	500,000	2043	500,000
2033	500,000	2044	500,000
2034	500,000	2045	500,000
2035	500,000	2046	500,000
2036	500,000	2047	500,000
2037	500,000		

The Bonds will bear interest commencing August 15, 2026 and semiannually thereafter on February 15 and August 15 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

Optional Redemption

The Bonds maturing on or before August 15, 2035 are not subject to redemption prior to maturity. The Bonds maturing on August 15, 2036 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after August 15, 2035 at any time, either in whole or in part, in such amounts and in such order of maturity (but by lot within maturity) as the Issuer

may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
August 15, 2035 and thereafter	100.0%

Nature of Obligation

The Bonds will constitute general obligations of the Issuer and its member towns of Middlebury and Southbury (the “Member Towns”), and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from general property tax revenues of the Member Towns. The Member Towns have the power under the Connecticut General Statutes, as amended, to levy ad valorem taxes on all taxable property subject to taxation in said Member Towns without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

Bank Qualification

The Bonds SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date.

Record Date

The record dates for the Bonds will be the last business day of January and July in each year.

Proposals

Each bid must be for the entire \$10,525,000 of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than three (3) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on *PARITY*® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost (“TIC”) to the Issuer, as described under “Basis of Award” below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

Basis of Award; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost (“TIC”) to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

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

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

CUSIP Numbers

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of Phoenix Advisors, a division of First Security Municipal Advisors, Inc. (“Phoenix Advisors”), to obtain CUSIP numbers for the Bonds prior to delivery, and Phoenix Advisors, will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder. The Issuer will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of Phoenix Advisors to obtain such numbers and to supply them to the Issuer in a timely manner. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Electronic Proposals Bidding Procedure

Electronic bids for the purchase of the Bonds must be submitted through the facilities of **PARITY®**. Any prospective bidder must be a subscriber of the BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 or (212) 849-5023 – email notice: munis@spglobal.com or parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via **PARITY®**, the bidder represents and warrants to the Issuer that such bidder’s bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or**

worksheets supplied by *PARITY*®, the use of *PARITY*® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.

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

For the purpose of the electronic bidding process, the time as maintained on *PARITY*® shall constitute the official time.

Certifying Agent, Registrar, Paying Agent and Transfer Agent

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

Delivery, Payment and Closing Requirements

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

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer ("FAST") on or about January 23, 2026 (the "Closing Date").

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

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

Bond Counsel Opinion

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

Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the "Code"), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public (the "Initial Offering Price") or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this "Establishment of Issue Price" section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Barry J. Bernabe, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street, Milford, CT 06460, Telephone: (203) 283-1110, E-mail: bbernabe@muniadvisors.com (the "Municipal Advisor"). Questions related to this "Establishment of Issue Price" section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this "Establishment of Issue Price" section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

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

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

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

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

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

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

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

Competitive Sale Rule Met. The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

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

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

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

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

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

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

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

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

Official Statement

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated January 7, 2026 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at <https://munihub.com>, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Barry J. Bernabe, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street, Milford, CT 06460, Telephone: (203) 283-1110, E-mail: bbernabe@muniadvisors.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

REGIONAL SCHOOL DISTRICT NO. 15 OF
THE STATE OF CONNECTICUT

MARION MANZO
Chairman of the Board of Education

HEATHER RODGERS
Treasurer

January 7, 2026

ATTACHMENT A

ISSUE PRICE CERTIFICATE

(If Competitive Sale Rule Met)

REGIONAL SCHOOL DISTRICT NO. 15 OF THE STATE OF CONNECTICUT
\$ _____ GENERAL OBLIGATION BONDS, ISSUE OF 2026
Dated January 23, 2026

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price.*** REGIONAL SCHOOL DISTRICT NO. 15 OF THE STATE OF CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about January 23, 2026, the Bonds at a price of par (\$ _____), plus an aggregate net premium of \$ _____ and less an underwriter’s discount of \$ _____, resulting in an aggregate net purchase price of \$ _____.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of January 14, 2026 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms.***

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. ***Representations and Information.*** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder (collectively, the “Code”). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January __, 2026.

[UNDERWRITER]

By: _____

Name:

Title:

Schedule A to Issue Price Certificate

<u>Maturity, August 15</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2027	505,000		
2028	505,000		
2029	505,000		
2030	505,000		
2031	505,000		
2032	500,000		
2033	500,000		
2034	500,000		
2035	500,000		
2036	500,000		
2037	500,000		
2038	500,000		
2039	500,000		
2040	500,000		
2041	500,000		
2042	500,000		
2043	500,000		
2044	500,000		
2045	500,000		
2046	500,000		
2047	500,000		

Schedule B to Issue Price Certificate

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