This Preliminary Official Statement and the information contained herein are subject to completion and amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which said offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 1, 2026

NEW MONEY ISSUE **MOODY'S RATING: Aa1**
(see "Ratings" herein)

In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), under existing law, interest on the Bonds and the Notes is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of 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 and the Notes is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based 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 and the Notes. (See "Tax Matters" herein.).

TOWN OF ELLINGTON, CONNECTICUT

$4,500,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026 (the "Bonds")

(BOOK-ENTRY-ONLY)

Dated: Date of Delivery **Due: September 15, as shown on the inside cover page**

Electronic proposals via PARITY® for the Bonds will be received until 12:00 Noon (Eastern Time) on Wednesday, September 9, 2026 as described in the Notice of Sale for the Bonds (See Appendix F to this Official Statement).

Interest on the Bonds will be payable on September 15, 2027 and semiannually thereafter on September 15 and March 15 in each year until maturity. **The Bonds are subject to optional redemption prior to maturity. See "Redemption Provisions" herein.**

MOODY'S RATING: MIG-1
(see "Ratings" herein)

$13,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES (the "Notes")

(BOOK-ENTRY-ONLY)

Dated: Date of Delivery **Due: September 21, 2027**

Electronic proposals via PARITY® for the Notes will be received until 11:30 A.M. (Eastern Time) on Wednesday, September 9, 2026 as described in the Notice of Sale for the Notes (See Appendix G to this Official Statement).

The Notes will bear interest calculated on the basis of a 360-day year, consisting of twelve 30-day months, payable at maturity at the rate per annum as shown on the inside cover page to this Official Statement. The Notes are not subject to redemption prior to maturity.

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

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

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

The Bonds and the Notes are offered for delivery when, as and if issued, subject to the final approving opinions of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds and the Notes in book-entry-only form will be made to DTC on or about September 22, 2026.

This cover and inside front cover page contain certain information for quick reference only. It is NOT a summary of these issues. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

TOWN OF ELLINGTON, CONNECTICUT

$4,500,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026
(BOOK-ENTRY-ONLY)

Dated: Date of Delivery **Due: September 15, as shown below**

MATURITY SCHEDULE

Maturity	Amount	Coupon	Yield	CUSIP[1]	Maturity	Amount	Coupon	Yield	CUSIP[1]
2027	$225,000	%	%	288515---	2037	$225,000	%	%	288515---
2028	225,000			288515---	2038	225,000			288515---
2029	225,000			288515---	2039	225,000			288515---
2030	225,000			288515---	2040	225,000			288515---
2031	225,000			288515---	2041	225,000			288515---
2032	225,000			288515---	2042	225,000			288515---
2033	225,000			288515---	2043	225,000			288515---
2034	225,000			288515---	2044	225,000			288515---
2035	225,000			288515---	2045	225,000			288515---
2036	225,000			288515---	2046	225,000			288515---

$13,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES
(BOOK-ENTRY-ONLY)

Dated: Date of Delivery **Due: September 21, 2027**

Amount	Coupon	Yield	CUSIP[1]
$13,500,000	%	%	288515---

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

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

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

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

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

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

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

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

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

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BOND ISSUE SUMMARY

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

Date of Sale:	**Wednesday, September 9, 2026, 12:00 Noon (Eastern Time).**
Location of Sale:	Via Parity® only. (See "Appendix F – Notice of Sale – The Bonds" to this Official Statement).
Issuer:	Town of Ellington, Connecticut (the "Town").
Issue:	$4,500,000 General Obligation Bonds, Issue of 2026 (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	Semiannually on March 15 and September 15 in each year until maturity, commencing September 15, 2027.
Principal Due:	Serially, September 15, 2027 through September 15, 2046 as shown on the inside cover page to this Official Statement.
Purpose and Authority:	The proceeds of the Bonds will be used to permanently finance a portion of the $15,250,000 Bond Anticipation Notes of the Town maturing September 22, 2026 which were used for various renovations, improvements and additions to the Windermere School as authorized by the voters of the Town. See "Authorization and Use of Proceeds" herein.
Redemption:	The Bonds **are** subject to optional redemption prior to maturity as more fully described herein. See "Redemption Provisions", herein.
Security:	The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Town received a credit rating of "Aa1", from Moody's Ratings, ("Moody's") on the Bonds. See "Ratings" herein.
Basis of Award:	Lowest True Interest Cost (TIC) as of dated date.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Bonds **will not** be designated 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.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) notice of the occurrence of certain events, not in excess of 10 business days of the occurrence of such events, and (iii) timely notice of a failure to provide the required financial information by the date specified pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix D to this Official Statement.
Registrar, Transfer Agent, Certifying Agent, and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford Connecticut 06103.
Legal Opinion:	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel. (See Appendix B to this Official Statement).
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about September 22, 2026 against payment in **Federal Funds**.
Issuer Official:	Questions concerning this Official Statement should be addressed to Matthew Evans, Finance Officer/Treasurer, Town of Ellington, Town Hall, 55 Main Street, Ellington, Connecticut 06029. Telephone: 860-870-3115.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Susan Caron, Vice President, Telephone: 860-372-1887.

The Preliminary Official Statement is available in electronic for only at www.i-dealprospectus.com and munistat.com. For additional information please contact the Municipal advisor at susan.caron@munistat.com or mark.chapman@munistat.com.

NOTE ISSUE SUMMARY

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

Date of Sale:	**Wednesday, September 9, 2026, 11:30 AM (Eastern Time).**
Location of Sale:	Via Parity® only. (See "Appendix G – Notice of Sale – The Notes" to this Official Statement).
Issuer:	Town of Ellington, Connecticut (the "Town").
Issue:	$13,500,000 General Obligation Bond Anticipation Notes (the "Notes").
Dated Date:	Date of Delivery.
Interest Due:	At maturity, September 21, 2027.
Principal Due:	At maturity, September 21, 2027.
Purpose and Authority:	The Notes are being issued to finance various renovations, improvements and additions to the Windermere School as authorized by the voters of the Town. See "Authorization and Use of Proceeds" herein.
Redemption:	The Notes **are not** subject to redemption prior to maturity.
Security:	The Notes will be general obligations of the Town of Ellington, Connecticut and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
Credit Rating:	The Town received a credit rating of "MIG-1", from Moody's Ratings, ("Moody's") on the Notes. See "Ratings" herein.
Basis of Award:	Lowest Net Interest Cost (NIC) as of dated date.
Tax Exemption:	See "Tax Matters" herein.
Bank Qualification:	The Notes **will not** be designated 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 Notes.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notices of the occurrence of certain events, not in excess of 10 business days of the occurrence of such events, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix E to this Official Statement.
Registrar, Transfer Agent, Certifying Agent, and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor Hartford, Connecticut 06103.
Legal Opinion:	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel. (See Appendix C to this Official Statement).
Delivery and Payment:	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about September 22, 2026 against payment in **Federal Funds**.
Issuer Official:	Questions concerning this Official Statement should be addressed to Matthew Evans, Finance Officer/Treasurer, Town of Ellington, Town Hall, 55 Main Street, Ellington, Connecticut 06029. Telephone: 860-870-3115.
Municipal Advisor:	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Susan Caron, Vice President, Telephone: 860-372-1887.

The Preliminary Official Statement is available in electronic for only at www.i-dealprospectus.com and munistat.com. For additional information please contact the Municipal advisor at susan.caron@munistat.com or mark.chapman@munistat.com.

I. SECURITIES OFFERED

INTRODUCTION

This Official Statement, including the cover page, inside cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Ellington, Connecticut (the "Town") in connection with the issuance and sale of $4,500,000 General Obligation Bonds, Issue of 2026 (the "Bonds") and $13,500,000 General Obligation Bond Anticipation Notes (the "Notes"), of the Town.

The Bonds and the Notes are being offered for sale at public bidding. Notices of Sale for the Bonds and the Notes, each dated September 1, 2026 have been furnished to prospective bidders. Reference is made to the Notices of Sale, attached hereto as Appendices F and G for the terms and conditions of the bidding on the Bonds and the Notes, respectively.

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

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

Munistat Services, Inc. ("Munistat") is engaged as Municipal Advisor to the Town in connection with the issuance of the Bonds and the Notes. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds and the Notes is contingent upon the issuance and delivery of the Bonds and the Notes. Munistat, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal and state income tax status of the Bonds and the Notes or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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

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

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

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AUTHORIZATION AND USE OF PROCEEDS

Authorization:

The Bonds and the Notes are issued pursuant to the General Statutes of Connecticut, as amended, the Charter of the Town and bond resolutions approved by the voters of the Town.

Use of Proceeds:

Proceeds of the Bonds and the Notes will be used to finance the following project:

Project	Amount of Total Authorization	Prior Debt Issued [2]	Notes Due 9/22/26	Additions/ (Reductions)	Bonds This Issue	Notes This Issue
Windermere Building Project [1]	$ 74,600,000	$17,361,038	$ 15,250,000	$ 2,750,000	$ 4,500,000	$ 13,500,000
Total	$ 74,600,000	$17,361,038	$ 15,250,000	$ 2,750,000	$ 4,500,000	$ 13,500,000

[1] It is anticipated that this project will qualify for State of Connecticut School Construction Grants of approximately $52,220,000.
[2] Includes $956,038 previously issued bond proceeds reallocated from the Crystal Lake/Windermere Project to the Windermere Building Project.

DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery and will mature in annual installments on September 15 in each of the years and in principal amounts set forth on the inside cover page of this Official Statement. The Bonds will be issued in denominations of $5,000 or any integral multiples therefore. Interest on the Bonds will be payable semiannually on March 15 and September 15 in each year until maturity, commencing on September 15, 2027 and will be payable to the registered owners of the Bonds as of the close of business on the last business day of February and August in each year. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. A book-entry-only transfer system will be employed evidencing ownership of the Bonds with transfers of ownership on the records of The Depository Trust Company ("DTC"), and its participants pursuant to rules and procedures established by DTC and its participants. See "Book-Entry-Only Transfer System" herein. The Certifying Agent, Paying Agent, Registrar and Transfer Agent for the Bonds will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut. The legal opinion on the Bonds will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix B to this Official Statement.

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

REDEMPTION PROVISIONS

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

Redemption Date	Redemption Price
September 15, 2034 and thereafter	100.00%

NOTICE OF REDEMPTION

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail not less than thirty (30) days but not more than sixty (60) days prior to the redemption date to the registered owner of such Bonds designated for redemption in whole or in part at the address of such registered owner as the same shall last appear on the registration books for the Bonds 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. So long as Cede & Co., as nominee for Depository Trust Company ("DTC") is the registered owner of the Bonds, notice of redemption will be sent only to DTC (or its successor securities depository) or its successor nominee.

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

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

Redemption of a portion of the Bonds of any maturity by the Town 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 DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of interest in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, or be the responsibility of, the Town, the Registrar or Paying Agent, for the Bonds.

DESCRIPTION OF THE NOTES

The Notes will be dated the date of delivery and will be due and payable as to both principal and interest at maturity, as set forth on the inside cover page to this Official Statement. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. The Notes will be issued as fully-registered notes in denominations of $5,000 or any integral multiples thereof. A book-entry-only transfer system will be employed evidencing ownership of the Notes with transfers of ownership on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See "Book-Entry-Only Transfer System" herein. The certifying bank, registrar, transfer and paying agent for the Notes will be U.S. Bank Trust Company, National Association, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103. The legal opinion for the Notes will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix C to this Official Statement.

The Notes <u>are not</u> subject to redemption prior to maturity.

BOOK-ENTRY-ONLY TRANSFER SYSTEM

This section describes how ownership of the Bonds and the Notes is to be transferred and how the principal of, premium, if any, and interest on the Bonds and the Notes are to be paid to and accredited by DTC while the Bonds and the Notes are registered in its name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Town believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The Town cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds and the Notes, or redemption or other notices to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds and the Notes), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System,

a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book- entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movementof 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. DTCCis 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 and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC’s records. The ownership interest of each actual purchaser of each Bond and Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued. To facilitate subsequent transfers, all Bonds and Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds and Notes 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 and the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds and Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

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

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds and the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Town or the Paying Agent/Registrar, 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 and Notes 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/Registrar, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent/Registrar, 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 and the Notes at any time by giving reasonablenotice to the Town or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, bond and note certificates are required to be printed and delivered. The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond and note certificates will be printed and delivered to DTC.

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

REPLACEMENT BONDS AND NOTES

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

DTC PRACTICES

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

SECURITY AND REMEDIES

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

Unless paid from other sources, the Bonds and the Notes are payable from general property tax revenues. The Town has the power under the Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax such dwelling houses of qualified elderly persons of low income.

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

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

The Town is subject to suit on its general obligation bonds and notes and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds and notes from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount

in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds and the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds, notes or other obligations.

TAX MATTERS

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

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

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 inside 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 and the Notes may be more than their stated principal amounts payable at maturity (the "OIP Obligations"). In general, an owner who purchases an OIP Obligation must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner's basis in the OIP Obligation for federal income tax purposes. Prospective purchasers of OIP

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

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

Interest on the Bonds and the Notes 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 and the Notes 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 and the Notes.

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

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

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

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

CYBERSECURITY

The Town like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, ransomware, phishing, and other attacks on computers and other sensitive digital networks, systems and data.

To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls, including comprehensive procedures relating to the security of the Town's government networks. The Town also uses CrowdStrike as part of its cybersecurity protections and maintains offsite data backups as part of its disaster recovery planning. These measures are part of the Town's broader efforts to maintain continuity of operations and protect critical municipal systems and data.

Additionally, the Town purchases cyber loss insurance with Great American Insurance Group, so that a claim can be made to the insurance provider in the event of a covered cyber-attack or cyber incident, subject to the terms, conditions, exclusions, limits and deductibles of the applicable policy.

No assurances can be given, however, that such security measures, operational controls, backup systems, or insurance coverage will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage the Town's digital networks, systems, or data, and the costs of remedying any such damage could be substantial.

As of September 1, 2026 the Town has not experienced any known cyber breach that has materially impacted Town operation.

CLIMATE CHANGE

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. Like much of Connecticut, the Town is vulnerable to inland wetland, small river and stream flooding. The Town faces other threats due to climate change, including damaging wind that could become more severe and frequent. The Town has a very active program of tree inspections and removals and has initiated a full inventory of Town-owned trees to identify and budget for hazards. While the Town cannot predict the timing, extent or severity of climate change and its impact on the Town's operations and finances, the Town believes it holds sufficient reserves and annually budgets for contingencies to address unforeseen expenses resulting from the increasing frequency of severe weather. Additionally, the Town works closely with the local power company to address trees that have been identified as a hazard to the utility infrastructure. The Town is prepared to quickly respond and recover from any such events that would exceed its annual operating budget. In an effort to address climate change, the Town has enrolled in the Sustainable CT, a voluntary certification program providing a wide range of best practices for communities to adopt that recognize the natural environment as the foundation for the health and well-being of all people and the strength of the local economy. Ellington was awarded the "Bronze" level certification in April of 2024 for twenty-four sustainable actions in twelve different categories. Ellington is also part of the Capitol Region Council of Governments ("CRCOG") team that developed a multijurisdictional Natural Hazard Mitigation Plan to review local natural hazard vulnerabilities and mitigation capabilities. The Plan was initially adopted in 2008, and in 2024 Ellington worked with the Connecticut Institute for Resilience and Climate Adaptation and CRCOG on the plan's fourth update that included climate adaption considerations. Plan updates have been accepted by the Board of Selectmen and approved by the Federal Emergency Management Agency ("FEMA").

QUALIFICATION FOR FINANCIAL INSTITUTIONS

The Bonds and the Notes **will not** be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense incurred to carry the Bonds and the Notes.

AVAILABILITY OF CONTINUING DISCLOSURE

The Town of Ellington prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year. The Town provides, and will continue to provide, to the rating agency ongoing disclosure in the form of annual audited financial statements, adopted budgets and other materials relating to its management and financial condition as may be necessary or requested.

The Town will enter into continuing disclosure agreements with respect to the Bonds and the Notes, substantially in the forms attached as Appendices D and E to this Official Statement (collectively, the "Continuing Disclosure Agreements"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data, with respect to the Bonds, (ii) notice of the occurrence of certain events, not in excess of ten (10) business days of the occurrence of such events with respect to the Bonds and the Notes; and (iii) timely notice of the failure by the Town to provide the required annual financial information and operating data with respect to the Bonds as specified in the Continuing Disclosure Agreement.

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

RATINGS

The Town received a credit rating of "Aa1" from Moody's Ratings ("Moody's") on the Bonds and "MIG-1" rating on the Notes. Certain outstanding bonds of the Town are rated "AA" by S&P Global Ratings ("S&P"). Generally, a rating agency bases ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. The rating reflects only the view of the rating agency and an explanation of the significance of the rating may be obtained from Moody's Ratings, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. 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 Town's bonds and notes, including the Bonds and the Notes.

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II. THE ISSUER

DESCRIPTION OF THE TOWN

The Town of Ellington (the "Town" or "Ellington") was first inhabited by Native American tribes. One of their ancient settlements was located on the eastern side of present-day Crystal Lake. Originally part of Windsor, then East Windsor, Ellington was incorporated in 1786 on land that was once known as the Great Marsh. The Town is in Tolland County about 17 miles northeast of Hartford. It is bordered on the north by the Towns of Enfield, Somers, and Stafford, on the southwest by the Town of South Windsor, on the east by the Towns of Tolland and Willington, on the west by the Town of East Windsor and on the south by the Town of Vernon. Ellington lies between the metropolitan areas of Boston and New York, has a population of 16,585 *(Connecticut Department of Public Health as of July 1, 2024)* and covers an area of 34.8 square miles.

The State of Connecticut maintains approximately 24 miles of state roads which intersect the Town. The state roads are Routes 140, 286, 83, 30, 32 and 74. Route 140 crosses the Town in an east west direction and Route 83 bisects Ellington in a north south direction. Just 10 minutes from Ellington's western border is Interstate 91 and 10 minutes from Ellington's southern border is Interstate 84.

Ellington is a growing community with rural charm and suburban convenience. The Town is a blend of agriculture, industry, commercial businesses, and a mix of single-family and multifamily dwellings, nestled in the Connecticut River Valley set against the backdrop of the Shenipsit State Forest. It is estimated the Town provides a workforce of approximately 8,421 people *(Source: Connecticut Department of Labor, Labor Market Information May 2026*). In 2024, 42% of jobs in Ellington were in specialty trades, 20% in health care and social assistance, 14% in manufacturing, 13% in retail and 11% in local government *(Source: U.S. Census Bureau, 2020-2024 American Community Survey)*. With 5,000 acres under cultivation, Ellington remains one of the largest agricultural production towns in Connecticut.

The number of housing units increased to 6,667 units in 2024 *(Source: U.S. Census Bureau, 2020-2024 American Community Survey)* from 5,417 in 2000. Ellington's housing stock is approximately 75% single-family residential and 25% is a mix of duplexes, three-family, and multi-family developments with 4 or more units. In terms of resiliency, specifically diversity, Ellington's

housing mix is similar to the statewide mix of housing and well above most rural-suburban communities *(Source: Plan of Conservation and Development, November 2019).* Housing developments approved over the last five years include 72 single-family home lots with homes starting at $400,000 to over $700,000. Currently under development is the establishment of Middle Housing Development regulations that will allow 2-9 residential dwelling unit developments in commercial zones as a permitted use subject only to summary review and no discretionary approval process. Ellington is part of the Capitol Region Council of Government's Regional Housing Strategy Technical Advisory Committee working to establish Regional Housing Growth plans and compliance with Public Act 25-1 – An Act Concerning Housing Growth.

ECONOMIC DEVELOPMENT

Economic development is important to the Town, not only in terms of providing a diversified tax base, jobs, and shopping opportunities, but from a community character standpoint as well. Through the combined efforts of the Board of Selectmen, Board of Finance, Economic Development Commission (EDC), Conservation Commission, and the Planning and Zoning Commission considerable progress has been made in developing an economic program for the Town.

The mission of the EDC is to foster a pro-business environment to encourage a growing, sustainable, and diverse tax base. To help Ellington attract new businesses and promote expansion of existing ones, the EDC established a Tax Abatement Program in 2002. Since adoption, the Program has been amended to align with statutory changes, promote agriculture-related businesses, and other refinements commonly included in abatement agreements. Since 2002, ten (10) abatement agreements have been executed resulting in over 115,000 square feet of new commercial/industrial/manufacturing space and approximately 400,000 square feet of new agricultural business-related space.

Earthlight Technologies, LLC, opened in 2008, as an energy saving light bulb retail store operating from a small mixed-use building at 92 West Road in Ellington. In 2021, after experiencing significant growth and an increased demand for solar and battery storage equipment, Earthlight was granted a seven-year abatement for a 4-million-dollar project and constructed a new net zero energy corporate headquarters on a 12.51 parcel at 128 West Road, Ellington. The building incorporates all the services that Earthlight offers including solar, EV charging, network LED lighting and controls, geothermal HVAC, battery storage, and roof reconstruction/replacement. Earthlight started with just 1 employee, 1 fleet vehicle, and less than 3,000 sf of space, but today employs over 1,307 people, has more than 60 fleet vehicles, and occupies a 22,000 square foot office building with an educational design center and a large warehouse facility for their installation teams. In 2022, the Tolland County Chamber of Commerce recognized Earthlight for their contributions to the local economy and awarded them the Economic Development Business Award for the new facility in Ellington.

The Tax Abatement Program has also enabled growth in the agriculture sector in Ellington. In 2017, abatement was granted to Oakridge Dairy enabling the startup of The Modern Milkman -a weekly home delivery service of farm-fresh milk (delivered less than 24 hours after milking), local fresh eggs, butter, yogurt, and cheese dairy products. Shortly after receiving abatement, Oakridge invested more than $15 million in land acquisition, building construction, and site improvements and constructed a state-of-the-art 354,000 square foot open-stall barn and automated milking carousel. The new facility is efficient and designed like an open field where cows move around freely in a climate-controlled facility. In June 2024, abatement was granted to Oakridge Dairy to enable the construction of a 14,000 square foot milk processing plant; Oakridge Creamery. Oakridge Dairy was founded in late 1890 and today is the largest dairy farm in New England. The Modern Milkman started with just over 100 home deliveries in Ellington but today delivers to 13,000 homes in Connecticut, Massachusetts, New York, and Rhode Island. In 2019, the Tolland County Chamber of Commerce awarded Oakridge Dairy's The Modern Milkman the Best New Business Award. To offset electricity demand, the main open-stall barn and milking facility currently consists of 752 roof-mounted solar panels, and a 15,660 square foot solar canopy will be installed this summer over calve housing at 8 Hoffman Road. A 2-million-gallon anaerobic digester was constructed in 2023 converting manure from a herd of about 4,000 cattle to natural gas. Oakridge Dairy is Connecticut's largest dairy farm and produces about 20% of the milk sold in the state.

Annually, the EDC sponsors a buy-local campaign to increase sales and services for local businesses. In the fall, the commission hosts Shop Ellington to align with Small Business Saturday, commencing the day after Thanksgiving for a two-week period. The event is voluntary and at no cost to participating businesses. The commission uses a modest budget to advertise the events and provide event supplies. Staff and volunteer resources help increase participation through business visits and advertisements via circulation of flyers, newspaper print, and a variety of social media platforms.

Commencing June of 2025, the EDC worked with the First Selectman's Office to establish a business networking group. The Ellington Business to Business (EB2B) group has convened 5 times since establishment at alternating local businesses.

Attendance has ranged from nine (9) to eighteen (18) businesses with up to 25 business representatives. The events provide local businesses with an opportunity to showcase products and services, share ideas, and make connections. The next EB2B meeting is October 21, 2026, at Earthlight headquarters at 128 West Road.

To help foster a pro-business environment, the EDC maintains a resource webpage and Business Welcome Packet. Both introduce the commission and staff members, list contact information and a schedule of public meetings, provide links to local zoning codes and Ellington's robust Geographic Information System, town profile data, chamber membership information, utility company contacts, development application fees, and much more. The commission has been awarded Best Practices in Land Use and Economic Development by the Connecticut Economic Development Association for the last three three-year reporting periods. The award program measures a town's communication and marketing, organization capacity and strategy, and policies and programs, and awards communities that have achieved excellence in land use and economic development practices.

Several segments of commercial and industrial zoned land contribute to the local economy.

Route 83 Corridor stretches approximately 6 miles and is the most significant economic development area in the Town. The majority of the corridor is served by public water/sewer, and natural gas and mainly zoned commercial or industrial. It is estimated that approximately 375 acres of 550 available acres are developed.

To help achieve economic development goals and properly allocate sewer service capacity along the corridor, in the summer of 2015 the Town concluded a study that evaluated land uses, zoning, future build-out, and multi-family zoning. The study was funded through special appropriation and through the Capitol Region Council of Governments HUD Sustainable Communities Regional Planning Grant to expand the study to include a design consideration for multi-family developments with an affordable component. The findings of the study, including future goals and recommendations, have been adopted as an appendix to the 2019 Plan of Conservation and Development, Ellington's chief land use policy document. The Route 83 Corridor Study prioritizes sewer allocations for commercial and industrial developments and aligns priorities between the Planning and Zoning Commission and the Water Pollution Control Authority. The study prompted the creation of a Design Review Guide applicable to all commercial, industrial, multi-family, and non-residential developments in residential zones. While most of the built environment along Route 83 prior to the establishment of the Design Review Guide is consistent with New England architecture, enhanced design elements are noticeable for sites developed since adopting the Guide.

In 2024, two new projects completed construction along Route 83. In the southern segment, a 30,000 square foot self-storage facility and within the core a 7,400 square foot commercial building was constructed in the Big-Y World Class Market Plaza. Starbucks is the anchor occupant and Hartford Go-Health Care occupies two-thirds of the new space. Go-Health opened August 2023, Starbucks opened in September of 2024, and Jersey Mike's filled the remaining space July of this year. In 2018, Big Y Foods purchased a 13.05-acre parcel on the west side of Route 83 immediately across the street from its grocery store. In 2021, construction concluded for a 15,000 square foot commercial building and a 4,100 square foot gasoline service area with canopy to provide Big Y Rewards customer's discounts on fuel. The commercial structure provides retail, restaurant, and personal services. In 2022, a 5,200 square foot, three bay carwash was constructed on the undeveloped portion of the property and opened for business. Design elements include New England styled buildings with a mix of stone and clapboard siding, copper awnings, decorative lighting, cupolas, and extensive landscaping.

In January of 2025, a 21+/- acre vacant parcel on the west side of Route 83, approximately a quarter mile from Main Street, was approved for a 3-lot division and development of 3 acres for a 10,800 +/- square foot retail building, is nearing completion.

According to the US Census Bureau, Ellington has experienced a growth rate of more than 20% since 2000. A significant portion of this growth has occurred within the corridor converting 360 acres of vacant land to 84 new single-family homes, 332 new multi-family units, and 260,000 square feet of commercial space including a 77,000 square foot three story assisted living facility with 79 units, 84 beds and a dedicated memory care unit. Route 83 carries significant amounts of traffic with average daily traffic volumes ranging between 12,100 to 15,000 vehicles per day. Route 83 supports many pedestrian generators such as Ellington Middle School, Big Y World Class Market, Meadowview Plaza, three multi-family developments ranging from 85 units to 235 units and Country Pure Foods, Inc., one of Ellington's major employers. Given the size, location, designated zoning, mix of existing residential and commercial developments and suitability for future development, efforts are underway to increase non-motorized access along the corridor. Set to commence in the next year is a two-mile sidewalk and other pedestrian improvements along Route 83 from Ellington's southern edge to Main Street (Route 286) and Ellington Town center.

The construction will be funded through the Local Transportation Capital Improvement Program ("LOTCIP") state grant program.

The Town Center Triangle is perceived as the town center. This area is served by public water/sewer and natural gas and has a wide variety of community facilities including Town Hall, Public Works, Ellington High School and Center School, Snipsic Village (elderly housing), Hall Memorial Library, Ellington Senior Center, Ellington Historical Society/Nellie McKnight Museum, Ellington Farmers' Market, and a mix of retail, office, single-family and multi-family residential developments. In early 2024, the Ellington Farmers' Market relocated from Arbor Park roughly 400 feet north within the town complex along Maple Street (Route 140). Town and volunteers' resources prepared the grounds of the site and installed a permanent detached signage, plantings and benches. The grass at Arbor Park has been restored and outdoor gym equipment installed. In 2020, funded by a Community Connectivity Grant, the Main Street West Sidewalk Expansion project concluded installing 2,500 linear feet of stenciled walkways and linking the town center to more fringe residential developments. And in 2021, 530 linear feet of new stenciled sidewalks were installed connecting Hall Memorial Library to a 1,050 square foot veterans' memorial that was enhanced with a bronze saluting soldier, memorial stones, benches and plantings. The project was funded through a Small Town Economic Assistance Program grant.

Ellington Hall Memorial Library provides an array of services and an expansive variety of programming for all ages. The library originated in 1903 as a 5,000 square foot building and expanded in 1992 to exceed 26,000 square feet. The number of parking spaces at Hall Memorial has been insufficient for years. In March of 2019, Ellington purchased a .76-acre parcel adjacent to the library's parking lot to enable parking expansion from 42 parking spaces to 74. The enhanced and expanded parking construction project was completed in 2024.

In 2021, the Town purchased an 11.46-acre parcel within proximity to other community facilities in town center. In spring of 2026, the Capitol Region Council of Governments began assisting Ellington with analyzing the site for development suitability for approximately 100 additional housing authority units.

Five Corners Area is a relatively small area. It is nonetheless important because of its location and road configuration. The previous 5-legged intersection at Five Corners was converted into a roundabout to improve traffic flow and construction concluded in the Fall of 2012. Improvements included a 100-foot-wide landscaped center island, brick-laden splitter islands, sidewalks, and formal crosswalks at each approach. During the summer of 2015, the northeast side of the roundabout was re-zoned from residential to commercial and an existing residential structure was converted to a financial services office. In the fall of 2017, two parcels on the southeast side of the roundabout were merged and comprehensively redeveloped for a 3,100 square foot convenience store with gas service and a Dunkin Donuts with drive-through service, parking, landscaping, and installation of sidewalks. Concluding these projects, the land bordering the roundabout supports neighborhood business zoning with infrastructure for safe pedestrian access connecting area neighborhoods and local businesses.

Crystal Lake Area - Approximately 55 of the 103 acres zoned commercial land is under/undeveloped. Public sewers are available for most of the area zoned commercial. In early 2020, approximately 45 acres northwest of the intersection of Routes 30 and 140 were rezoned from planned commercial to commercial in support of neighborhood business zoning practices.

To improve traffic circulation between residential and commercial areas within the Crystal Lake segment of town, two State projects were approved. Project No. 0047-0121 for Route 140 and Burbank Road intersection to improve poor sightlines and Project No 0047-0122 for geometry improvements along Route 140 in the vicinity of Pinnacle and Hopkins Roads. Project 0047-0121 was completed in the fall of 2024 and the other project is under construction.

Route 140 West - Approximately 232 acres are zoned industrial over 8 distinct properties. Fifty acres was formerly an earth mining operation and recently purchased by an area farmer. Long term plans include constructing 44 tobacco barns, generally 8,000 square feet each, and currently twelve have been constructed. One hundred acres support an organic composting and recycling facility, eighteen acres support a 22,800 square foot horse riding arena, and the remaining land is generally in agricultural use. There are minimal public sewers in this area. Thirty acres is being developed for a 6 mega-watt photovoltaic ("PV") facility and the Board of Selectmen approved a taxation stabilization agreement for the solar facility in November of 2022 resulting in a predictable source of revenue.

Nutmeg Industrial Park and Windermere Industrial Area are accessible by state and collector roads and served by public water/sewer and natural gas. These areas collectively contain approximately 400 acres of industrial land and approximately 50 acres is under/undeveloped.

Nutmeg Industrial Park was approved in the early 2000s. The park contains 9 separate industrial parcels and most are fully developed. There's only one phase of development for one lot that remains under construction. Collectively, Nutmeg Industrial Park provides about 100,000 square feet of light industrial space for manufacturing facilities, construction businesses, and tradesman lease space. In 2016, Ellington purchased a developed 3.22-acre parcel within the Park and adapted the structure for Ellington Fire Department 243, consistent with recommendations from the 2008 Plan of Conservation and Development. In March 2025, approval was granted for 20,000 square foot of additional commercial space; 8,000 square feet will support a construction company and 12,000 square foot is for a manufacturing facility.

Within the Windermere Industrial Area is Merrill Industries, a custom packing solutions manufacturer. Merrill Industries occupies an 80,000 square foot facility and has been in business since 1973. In 2019, Barn Yard/Great Country Garages redeveloped a 3-acre parcel with over 26,000 square feet of space for manufacturing, office, warehousing and storage space for a CNC-machined timber framed building operation. Beginning July of 2025, Barn Yard began constructing another 12,000 square foot manufacturing facility on 10 acres adjacent to its main location. In 2020, a wholesale trucking business purchased a 5-acre parcel in this area and constructed an 8,900 square foot facility, parking, and storage. In November of 2022, a 24,000 square foot underutilized warehouse on Windermere Avenue was converted for a pool construction company and the construction of a 44,880 square foot pickleball and tennis facility for Ellington Raquet Club completed in the fall of 2024. The project exceeded $3 million in construction costs and employs two full-time employees, three part-time positions, and three to five teaching professional positions.

The Ellington Airport has 100 acres of industrial zoned land. There's public water and natural gas, and in 2007 public sewers were extended at a cost of $2.25 million. The project was funded with the issuance of $1.75 million in general obligation bonds and a State of Connecticut Small Town Economic Assistance ("STEAP") grant. The airport is privately owned and open to the public for general aviation, flight training and recreation. The airport has an 1,800-foot-long runway, an office, storage facilities, and in/outdoor hangars. Ellington Airport is accessible from Connecticut State Road Route 83 and Meadow Brook Road, a town collector road. The airport is centrally located and can provide air carrier services to both New York and Boston. The airport accommodates both fixed-wing aircraft and helicopters and is home to one of the oldest parachuting organizations in the country, Connecticut Parachutists Incorporated ("CPI"). CPI was established in 1962 and located at the Ellington Airport in 1970. CPI offers skydiving for first-time jumpers and promotes the sport of skydiving for those interested in competing and becoming licensed.

On the outer fringe of the airport is a group of industrial buildings and home of Rice Packing Associates, a packaging manufacturer occupying 60,500 square feet and established in 1980s. Old School Harley Davidson also abuts the airport and occupies more than 24,000 square feet offering sales and service. In 2021, LuAnn's Bakery converted a 4,200 square foot manufacturing building south of the airport for a new production space to meet demand for fresh baked goods offered as part of weekly home delivery by the Modern Milkman and LuAnn's Café Drive-Thru and restaurant.

Farming - Ellington is committed to agricultural preservation and agriculture business operations. In November of 2007, voters overwhelmingly approved a $2 million bond authorization for the purchase of development rights of farmland. Bond authorization enabled the establishment of a formal farmland preservation program and relationships with state and federal agencies to co-fund preservation efforts. The first preservation easement closed in 2010 purchasing the development rights to 118 acres of active farmland known as "Silverherz Farm." In 2013, the Myers Farm (approximately 70 acres) was preserved and in 2014 an additional 167 acres were preserved between the Charter Farm and the McKnight Farm. Between 2015 and 2024, an additional 418 acres were preserved including Bahler Farms, Oakridge Dairy and the Wraight Farm. Generally, Ellington's portion of funding ranges between 10% to 25%. To date, with state and federal partners, over 773 acres of farmland has been preserved since the 2007 bond authorization.

In 2018, the Ellington Conservation Commission, with consultant assistance, completed a Cost of Community Services Study. The study was funded through an Agriculture Viability Grant from the Connecticut Department of Agriculture. The study is a tool used to demonstrate the cost of providing town services on a land-use basis. The study uses a consistent methodology developed by the American Farmland Trust over 30 years ago and has been used across the country to evaluate the differences between revenue generated and service required by specific land use. The study deduced that in Ellington for every dollar collected in taxes, agricultural land only costs $0.27 in services but cost $1.13 in services for residential development.

The 2019 Plan of Conservation and Development (the "Plan") includes a section titled "Agriculture as an Economic Sector." The Plan is a publicly vetted document and serves as a framework for guiding development patterns, preservation strategies,

and capital investments for certain infrastructure and community facilities for the next decade. As recommended by the Plan, an amendment was adopted to the Ellington Zoning Regulations creating a path to approval for farm breweries, cideries, distilleries and wineries. And, in October 2023, the Ellington Planning and Zoning Commission approved a separate zoning regulation amendment presented by the Ellington Economic Development Commission to promote more agriculture related businesses like banquet spaces or functions, farm-to-table dinners, tasting rooms, restaurants, tours, outdoor activities, and bakeries**.**

The Town's latest Plan of Conservation and Development (the "latest Plan") was prepared by Goman/York Planning and Design, with guidance from a nine-member committee and input from town departments and residents. The latest Plan updates started with two public information meetings and a community survey, and after public hearings before the Board of Selectmen and Planning and Zoning Commission and adopted in October 2019. The latest Plan:

- Establishes land use policies to guide residential and commercial development in the Town of Ellington.
- Encourages economic development.
- Protects natural, scenic, cultural resources, and promotes quality of life for residents.
- Enhances and preserves the rural character and small town aesthetics.
- Establishes zoning to promote development towards appropriate areas and away from sensitive areas.
- Creates more comprehensive and flexible land use regulations to effectively manage growth in a responsible manner.
- Be a statement of policies, goals, and standards for physical and economic development.
- Provide for a system of principal thoroughfares, sidewalks and multi-purpose trails.
- Promote coordinated development to have compact transit-accessible pedestrian-oriented mixed-use development patterns and land reuse.
- Recommend the most desirable use of land for residential, recreational, commercial, industrial, conservation and other purposes and include a map showing proposed land uses.
- Note inconsistencies with the following growth management principles: redevelopment and revitalization of commercial centers; expansion of housing opportunities and design choices; concentration of development around transportation nodes; conservation and restoration of the natural environment, cultural and historical resources and existing farmlands; protection of environmental assets critical to public health and safety; integration of planning across all levels of government.
- Make provision for the development of housing opportunities.
- Promote housing choice and economic diversity in housing.
- The Plan shall consider:

    - The need for affordable housing.
    - The need for protection of existing and potential drinking water supplies.
    - The use of cluster development and other development.
    - The State Plan of Conservation and Development (most recent Plan adopted in 2018).
    - The Regional Plan of Development (Capitol Region Council of Governments most recent Plan adopted in 2014).
    - Physical, social, economic, and governmental conditions and trends.
    - The needs of the municipality, including the objectives of energy-efficient patterns of development.
    - Protection and preservation of agriculture.

A comprehensive residential rezoning initiative affecting up to approximately 80% of the Town was approved by the Planning and Zoning Commission in February of 2012. This approval provides design flexibility while protecting sensitive resources and reducing the overall build-out population.

FORM OF GOVERNMENT

Pursuant to its home-rule charter, the Town has a Town Meeting form of government with a seven- member Board of Selectmen and a six-member Board of Finance. Members of the Board of Selectmen serve two-year terms while Board of Finance members serve four-year terms. Elections are held biennially in November every odd-numbered year. The Town and its

residents retain all the powers and privileges conferred and granted to Towns and Cities under the Constitution and the General Statutes of the State of Connecticut.

The First Selectman is the Chief Elected Official and Chief Executive Officer of the Town. The First Selectman provides general guidance and supervision to the Town Administrator. The First Selectman presides over the Board of Selectmen and has full voting privileges on the Board. Additionally, the First Selectman, with the approval of the Board of Selectmen, appoints members to various commissions and boards.

The Board of Finance is responsible for proposing annual budgets and special appropriations at Town Meetings and works closely with the Finance Officer to establish and enforce fiscal policy and implement the recommendations of the Town auditors. The Board directs fiscal policy such as the establishment of Reserve Funds and the allocation of funds among sectors such as departmental budgets, capital expenditures and debt service.

The Town's full-time professional staff includes a Town Administrator and Finance Officer. The Town Administrator serves as the Chief Administrative Officer and manages the day-to-day affairs of the Town. The Finance Officer is responsible for the coordination of the activities of the accounting staff and treasury management functions of the Town. In addition, the Finance Officer is responsible for assisting the Board of Finance in the preparation of the annual budget; the day-to-day administration of the adopted budget; the maintenance of the general ledgers of the various funds and account groups of the Town; financial planning and cost accounting; data processing; financial report preparation; and supervision of the annual independent audit. The Finance Officer is also responsible for the investment of all Town Funds and serves as the Town's Purchasing Agent. Additional duties include the authority over and the responsibility for the tax collector and tax assessor and their operations.

PRINCIPAL TOWN OFFICIALS

Office	Name	Manner of Selection	Term	Years of Service	
First Selectman	Laurie Burstein	Elected	12/25-12/27	10 Months	[1]
Deputy First Selectman	Mary Cardin	Elected	12/25-12/27	10 Months	
Town Administrator	Matthew Reed	Appointed	Indefinite	3 Years	
Finance Officer	Matthew Evans	Appointed	Indefinite	1 Month	[2]
Assistant Finance Director	Felicia LaPlante	Appointed	Indefinite	21 Years	
Chariman, Board of Finance	Logan Johnson	Elected	12/23-12/27	2 Years	
Chairman, Board of Education	Kerry Socha	Elected	12/23-12/27	2 Years	
Assessor	Tyler Devine	Appointed	Indefinite	9 Months	
Revenue and Tax Collector	Carolina Feliz, CCMC	Appointed	Indefinite	2 Years	
Town Clerk	Donna Hosey, CCTC	Appointed	Indefinite	11 Years	
Town Planner	Lisa M. Houlihan, AICP	Appointed	Indefinite	20 Years	
Superindentent of Schools	Susan Nash	Appointed	Indefinite	1 Month	[3]

[1] Previously served 4 years on the Board of Selectmen and 6 years on the Conservation Commission.

[2] Previously served as Financial Planning & Analysis Manager for Buncombe County Government in Asheville, North Carolina for 3 ½ years.

[3] Previously served as Superintendent of Killingly Public Schols in Connecticut for 3 years.

Source: Town Officials.

SUMMARY OF MUNICIPAL SERVICES

Police: The Ellington Resident Trooper's Program protects, maintains, and enhances the quality of life within the Ellington Community by providing Resident State Troopers and supervision/direction of Ellington Police Officers. The program is comprised of a Resident State Trooper Supervisor (State Police Sergeant), four Resident State Troopers, thirteen Ellington Police Officers and three Marine Vessel Operators. Additionally, the program provides one School Resource Officer, two D.A.R.E (Drug Abuse Resistance Education) Officers (State Troopers) and one Trooper who manages the Tri-Town Juvenile Review Board (Stafford-Somers-Ellington). The Ellington Animal Control Office also falls under the supervision of the Resident State Troopers Supervisor.

The Law Enforcement Team is backed by the entire State Police which includes Major Crime Squad, Fire Marshal's Unit, Gang Unit, Statewide Narcotics Task Force, Emergency Services Unit (K-9 Unit, Tactical Unit, Bomb Unit, Drone Unit, Aviation Unit, Dive Unit, Marine Unit and Mass Transit Unit), Forensic Laboratory, Collision Analysis and Reconstruction Squad, Traffic Services Unit, Bureau of Police Support and Troop Management Staff.

The Ellington Resident Trooper's Office falls under the direct command of "Troop C" (Tolland Barracks), Eastern District. The State Police and Troop C manage all clerical requests and manage our Teams investigative reporting, computers, and radio communications. The Ellington Resident State Trooper's Supervisor works closely with the Town CEO and Troop C Commander to establish goals and objectives to ensure the efficiency and effectiveness of the program.

As a program deeply rooted in Community Policing, the team actively works with residents to form a cooperative measure with law enforcement to effectively solve and address crimes and public safety issues in the community. The team provides resources and training to the School District, business community, faith based/clergy, Community/Political Organizations, Volunteer Groups, Community Groups and Town Government Departments. Additionally, the Resident Troopers Office participates in community and school events, hosts a cooperative effort with the Drug Enforcement Agency for a National Drug Takeback Day (April and October), provides a Prescription Drug Collection Box and hosts a CHILD ID workshop during the Farmers Market. The Resident Trooper Program employs proactive preventative policing strategies and efficient responses to criminal activities and threats to quality of life and provides a cost-effective form of Law Enforcement dedicated to the individual needs of the Ellington community.

Fire: The Town has two volunteer fire departments, the Ellington Volunteer Fire Department organized in 1928 and the Crystal Lake Fire Department organized in 1934.

The ***Ellington Volunteer Fire Department's*** mission is the protection and preservation of life and property during fire and other emergencies in the Town; to honor all emergency calls and to support fire prevention education activities. Currently the Ellington Volunteer Fire Department is rated by the Insurance Service Organization (ISO) as a class 5/8B. Ellington firefighters, 25 active members, spent over 2,100 hours in departmental training in the fiscal year 2025. Several officers attended meetings and courses in the area of planning, management skills, interoperable communications, incident command and regional response plans.

Ellington Volunteer Fire Department maintains 11 pieces of apparatus located in two facilities providing protection to the western majority of the Town, three of which were brand new builds between 2019 and 2022. This includes two rescue pumpers, capable of extinguishing fires and performing rescue work. The department also operates a 103-foot ladder truck, severe-service 4x4 pumper, rescue truck, tanker and several smaller ancillary vehicles. Operating out of two stations, they respond to approximately 1,050 calls for service a year. The services they deliver include fire suppression, technical rescue, hazardous material response, confined space and water/ice rescue and emergency medical response to supplement the Ellington Volunteer Ambulance. The most up to date rescue tools and techniques are used to extricate those who have become injured as the result of a motor vehicle or industrial accident.

The Cadet Program is open to youths between the ages of fourteen and nineteen. Cadets have the opportunity to participate in the same programs and training as the regular membership in addition to their own dedicated training and activities.

Looking ahead, the Ellington Volunteer Fire Department will onboard 4 paid firefighters in 2027 to help with weekday coverage – an exciting new step for the Town.

The ***Crystal Lake Fire Department*** ("CLFD") continues to serve the Crystal Lake Community with premier fire and emergency medical services while also aiding surrounding communities through a county mutual aid agreement. The department members have proudly volunteered to serve their community for the last 91 years. The primary mission of CLFD will always be the protection and preservation of life and property during each fire, medical, or rescue related emergency. The department is staffed by trained volunteers who are state and nationally certified Firefighters, Emergency Medical Technicians, and Emergency Medical Responders. All members operate out of "Station 42", which is located at 316 Sandy Beach Road, and is home to all the department's apparatus and equipment.

The CLFD responds to an average of 370 calls for service per year, totaling over 2,500 hours volunteered to fulfill the emergency needs of the community. CLFD remains prepared to respond to and mitigate numerous types of emergencies,

including structure fires, vehicle fires, hazardous materials emergencies, motor vehicle accidents, emergency medical incidents, water emergencies, and technical rescues. To effectively operate at various emergency scenes each member has to maintain, often exceeding, the strict skills and certifications required by the State of Connecticut and the CLFD. This is done through in-house training drills/classes and by attending courses offered by the Connecticut Fire Academy, Hartford County Regional Fire School, Eastern Connecticut Regional Fire School, Department of Environmental and Energy Protection, and the Office of Emergency Medical Service, this training averages approximately 2,000 hours of training by membership collectively.

Crystal Lake Fire Department also performs public education for fire prevention at Crystal Lake Elementary School and does an annual fire safety presentation for the kids. This is a time where the members get to interact with the youth of the Town and shed some light on what the fire department does for the community and allows the youth to bring some fire safety tips home. The program is delivered to approximately 350 children from Pre-K- fourth grade.

Medical emergencies make up the largest portion of call volume in the district. Crystal Lake residents have become accustomed to receiving a quick response from a trained professional providing the best care possible whenever a 9-1-1 call must be made. This is what the team strives to provide at every call, every time. The highly trained medical personnel, consisting of Emergency Medical Technicians and Emergency Medical Responders, work seamlessly with multiple agencies, including Ellington Volunteer Ambulance Corps, to ensure the best prehospital medical care possible. If a patient should require a more advanced level of care, members will work closely with an Advanced Life Support provider, known as a Paramedic, usually provided by American Medical Response or Ambulance Service of Manchester. At times, CLFD will request a Life Star Helicopter should a patient sustain an injury or illness requiring rapid transport to a specialized facility that provides a higher level of care.

Station 42 continues to be dispatched by Tolland County Mutual Aid Fire Service, where they handle all its emergency communications. The department also continues to participate in the county wide emergency task force through our mutual aid agreements providing manpower, equipment, and water to our surrounding communities should the need arise.

The CLFD currently has 19 members who are extraordinarily dedicated to the community and average 6,500 hours of duty and administrative work to the department to achieve the department's overall mission.

Emergency Medical Assistance: The Ellington Volunteer Ambulance Corps (EVAC) has been providing emergency medical services to the Town of Ellington and its surrounding communities for the past 64 years. All crews and equipment meet or exceed the State of Connecticut requirements and remain fully licensed through examination and inspection. An active first response system allows EVAC and both fire departments to render immediate lifesaving care when it is needed most. All EVAC members that live in Ellington are provided with first responder medical supplies and are encouraged to respond whenever possible.

EVAC continues its commitment to continuing medical education with online training assignments and monthly training drills. CPR and First Aid qualified instructors offer training to various organizations and individuals in our community. As a responsible municipal member of the Town, EVAC is working in conjunction with other departments to streamline services and reduce costs to taxpayers whenever possible. EVAC is the central purchasing point for all EMS supplies for the town-wide fire and rescue services.

Solid Waste: In recent times, Ellington has made substantial strides in upgrading its Recycling Center while simultaneously combating contamination in residential recycling. The Town is dedicated to environmental sustainability and community well-being.

Murphy Road Recycling, LLC manages Ellington's residential trash, bulky waste, and recycling. The enduring service contract, which commenced in 2022 and continues through 2028, provides residents with hassle-free waste disposal options. The Town offers weekly trash collection, biweekly recycling pickups, and on-request bulky waste collection, providing flexibility and reducing the burden on residents.

Ellington's Recycling Center stands as a cornerstone of its sustainability efforts, both in terms of location and the array of materials it accepts for recycling. Residents can now conveniently drop off electronics, oil, batteries, propane tanks, mattresses, paint, appliances, scrap metal, and cardboard. This expansive approach underscores the Town's dedication to comprehensive recycling.

Ellington recognizes that recycling is not just about facilities; it's about fostering a sense of community responsibility. To this end, the Recycling Center recently opened a "Swap Shop" where residents can exchange reusable items, promoting the ethos of recycling and reuse. An Information Desk assists residents with recycling queries, ensuring that valuable information is readily accessible.

To further educate and engage residents, Ellington uses a range of initiatives:

- Presentations and educational sessions offer insights into the importance of recycling and sustainable waste management.
- An annual Earth Day Celebration brings the community together to celebrate the environment and learn about eco-friendly practices.
- A Farmers Market booth promotes sustainability and encourages conversations about recycling.
- New resident welcome bags contain essential information about recycling and waste disposal.
- Regular website updates keep residents informed about recycling guidelines and center services.
- Monthly donation drives not only support charitable causes but also raise awareness about the benefits of recycling.
- A recycling inspection program ensures that recyclables are correctly sorted, and contamination is minimized.

Ellington's recent enhancements to its Recycling Center, coupled with its dedication to educating residents on responsible recycling practices, are only a few examples of its commitment to sustainability and environmental well-being. The Town's proactive approach to waste management, expanded services, and engaging community events have led to an almost doubling of the annual tonnage received at the Recycling Center.

Water: The Town is serviced by one water company which has the capacity of accommodating approximately sixty percent of the populated area of the Town. Seventy percent of the commercial and industrial zoned land is serviced by the water company. Shenipsit Lake is the largest local water source which spans the borders of two adjoining towns. Crystal Lake is located in Ellington and stretches over an area of 175 acres. The Hockanum River runs north-south and is located in the southern part of Town. Some individuals have private wells.

Sewers: Approximately 35% of the Town's population is serviced by public sewers. Approximately 90% of the commercially zoned land has direct access and 50% of the industrial land has direct or reasonable access to the sewer system. Private on-site septic systems are used by the remainder of residents.

The Town's Water Pollution Control Authority ("WPCA") is comprised of five volunteer members who are responsible for the administration and maintenance of the Hockanum Sewer System, the Crystal Lake Sewer System and the guidance of the future of the sewer service area. The Hockanum Sewer System is connected with the Town of Vernon's wastewater treatment facility and the Crystal Lake Sewer System is connected with the Town of Stafford's wastewater treatment facility. The Town's Public Works Department oversees the operation and maintenance of the Town's sewage collection system.

The Town of Vernon's wastewater treatment facility upgrade was completed in 2023. The treatment facility accepts sanitary wastes from Vernon, as well as portions of the surrounding towns of Ellington, Tolland, Manchester and South Windsor in accordance with the provisions of inter-municipal sewer agreements between each of those towns and Vernon.

The project cost of approximately $69,500,000 was funded through various sources: State of Connecticut Clean Water Fund (the "CWF") Grant, Vernon WPCF and other Towns with Intermunicipal Agreements. State funding in the amount of $21,335,800 reduces the impact on Vernon and other user Towns. Interest is estimated to be $11,437,680. Ellington's share of the cost is 20% or $11,920,376.

In settlement of a dispute between Vernon and the Town regarding various payments due under the original 1979 inter-municipal agreement, the two towns have entered into a new inter-municipal agreement effective July 1, 2003, and amended July 1, 2013 and September 15, 2017. Under the amended September 15, 2017 agreement, Ellington received an additional 20,000 gallons of sewage capacity bringing the maximum flow rate to 1,420,000 gallons per day. Ellington must seek Vernon's permission before exceeding the maximum flow rate and pay any additional cost for the flow increase. Vernon may, on a retroactive basis for the period such flow rates were exceeded, reallocate capital costs in accordance with actual flow rates. Pursuant to the 2017 agreement, Ellington has paid its pro rata share of the 1997 capital cost of the sewer treatment plant upgrade based upon its reserved flow capacity since the inception of the CWF loan to Vernon, and is obligated to pay the sum of $683,354 in FY2021, $774,970 in FY2022, and then $584,771 thereafter annually for the balance of the 2017 CWF loan

term, which ends in July 2040. The calculation of user charges by Vernon to Ellington is also set forth in the 2017 agreement. All Vernon user charges to Ellington are included in semi-annual user fees charged by Ellington to sewer system users. All payments due from Ellington to Vernon in accordance with the 2017 agreement are current.

The Town is current with respect to all charges from Stafford for waste processing at its wastewater treatment plant for the Crystal Lake Sewer System.

Since March 1992, the Town's sewer user policy has provided that actual water usage will be used in calculating the sewer user rate. The Connecticut Water Company has provided the Town with the actual water consumption which is utilized to calculate the sewer user bills for property owners connected to the water company in the Hockanum Sewer System. This provides financial fairness to households that produce lower than average wastewater. As properties connected to the Crystal Lake Sewer System have water supplied by private wells, the WPCA has determined to calculate the sewer use charge for that system based on an average use method. Hockanum Sewer System property owners currently pay an average of $328 and Crystal Lake Sewer System property owners currently pay an average of $543 in sewer user charges every six months.

Commercial user assessments are devised based on four different criteria: Unit Charge, Lateral Charge, Frontage Charge and Capacity Charge. In addition to the initial assessment, commercial users are charged based on local water meter readings and/or a flat rate like residential users. Residential users are assessed based on frontage, number of bedrooms and cost of utility installation.

Winter Operations: The Town strives to be efficient and effective during winter operations. With salt reduction techniques, the Town has been able to maintain a winter operations budget since 2018 of $255,000 despite significant increases in material prices. Reduction efforts also have a significant positive effect on the environment. The Town's salt applicators are calibrated annually, staff are trained annually, and Ellington has been a spotlight Town for UCONN's Green Snow Pro training program.

Stormwater: The Town has in place a Stormwater Pollution Prevention Plan to identify possible unacceptable discharges into the waterways from the DPW facility. Visual inspections and sampling are part of the requirements within the plan. Town-wide, the Town is regulated by an MS4 permit which also requires monitoring and sampling. The Town works with a consultant to maintain the reporting and provide staff training. Annual street sweeping and catch basin cleaning are completed per the requirements within the MS4 permit. The Town follows a Spill Prevention Control and Countermeasure plan which involves staff training and facility monitoring to reduce the likelihood of hazardous material spills.

Parks & Recreation: The Town offers a diverse array of recreational amenities and facilities for its residents.

Tedford Park Pavilion, completed in 1991, offers amenities including restrooms and a concession stand, available to local groups through permits issued by the Parks and Recreation Office. In 1996, new playscapes were constructed for elementary children at Center School and Crystal Lake School.

The Old Crystal Lake Schoolhouse, built in 1900 and fully renovated in 2017, serves as a hub for Parks and Recreation activities, hosting summer programs for middle school and preschool children. Beach facilities at Crystal Lake are provided during the summer months, complemented by a public boat launch maintained by the State of Connecticut.

The Town maintains sport facilities at each school, Tedford Park, and the High School Athletic Field, all featuring manicured playing fields. The Ellington High School Pavilion, completed in 2004, includes restrooms, concession stands, and storage space for Parks and Recreation and the High School, supporting the athletic complex. A State of Connecticut Small Town Economic Assistance Program grant of $170,000 funded the construction of tennis courts adjacent to the High School, completed in June 2012. In 2013, the Town invested $494,139 into Ellington Athletic Fields, enhancing facilities completed in 2016.

Batz Property, a 44.86-acre parcel donated by longtime residents Emma and Charles Batz, offers passive recreation opportunities such as nature hikes and outdoor educational seminars. Recent enhancements include a sensory garden, farm tables, garden plots, and a little free library, with the introduction of an outdoor exploration program in 2020. A stainless-steel volleyball station system was completed in 2020.

Sport-specific pickleball courts were completed in the fall of 2022. In the summer of 2023, a state-of-the-art 7,200 square-foot outdoor street hockey rink was installed, enhancing recreational options for the community.

In the summer of 2024, the Town converted 72 Maple Street into "Market Park," now home to one of the state's premier farmers markets. This vibrant community space hosts hundreds of vendors and attracts thousands of patrons each summer, further enhancing Ellington's commitment to health, wellness, and local commerce.

In the fall of 2024, state-of-the-art athletic field lights were installed at 13 outdoor town facilities, further expanding evening recreational opportunities. In 2025, the Town completed the installation of an outdoor fitness center featuring poured-in-place surfacing and an overhead canopy-providing residents with a modern, accessible space to support active lifestyles.

The Recreation Department collaborates year-round with the Board of Education's business office and custodial staff and partners with the Hall Memorial Library for preschool events. Recreation programming is dynamic, annually offering a variety of recreational and leisure programs, road races, camps, special events, and tournaments to meet the evolving needs of residents.

Library: The Hall Memorial Library provides diverse opportunities through services, resources and experiences for enrichment, education and community engagement for all Ellington residents in a beautiful, state-of-the-art 23,000 square foot building. The collection consists of more than 65,500 traditional and non-traditional items in several formats, including books, periodicals, newspapers, eBooks and eaudiobooks, digital magazines, music CD's, DVD's, puzzles, board games, puppets, adventure and literacy kits, and online database and reference materials. Computers for word processing, access to computerized reference resources, and access to the internet are available for resident use as well as are black and white and color photocopiers and printers, digital scanners, fax machine, digital microfilm reader/printer, poster printer and laminator. Four meeting rooms are available for library programming and also to community groups and organizations for their meetings.

As well as materials, the library provides a variety of programs for patrons of all ages, including book discussion groups, concerts, informational speakers, story hours, summer reading programs, notary service, passport acceptance service and exam proctoring. For those patrons who are not able to come to the library, outreach and home delivery services are provided, as well as remote access to reference sources, reference assistance and collection information via the webpage. The Hall Memorial Library also provides interlibrary loan service that facilitates loans from libraries around the state or the country. The Friends of the Library continues to play an integral shared service role with the Hall Memorial Library.

Over the past 20 years a variety of projects have been undertaken to improve and maintain the original 1903 building and the 1991 addition. In 2016 replacement of windows, refinishing of the wood front doors and painting of all exterior doors were complete. In 2017, the restrooms for both the public and staff were fully renovated. In 2018, the replacement of the roof of the original 1903 building was complete, along with the renovation of the staff workroom. In 2019, the replacement of all carpeting, refinishing of wood floors and repainting of interior walls were completed. In 2020, the lighting, roof replacement on the addition and installation of solar panels were completed. In 2024 the parking lot was expanded, doubling capacity, as well as renewal of sidewalks and landscaping. A plan to guide development of services for the next 3-5 years has recently been completed.

Human Services: The Human Services Department ("HSD") serves as the Town's primary agency for addressing the social service needs of the community. Services include assistance with heating and food programs, back-to-school and holiday support, advocacy, referrals, and help navigating state and federal benefits. The HSD also provides direct services, offering hands-on support to gather information and determine eligibility for various programs.

As the designated Municipal Agent for the Elderly, Human Services plays a key role in sharing information with older residents, helping them access available resources, and promoting awareness of community services and benefits. In addition, the department offers educational outreach on a wide range of topics to inform and empower residents of all ages.

The HSD supports local veterans and their families through information referrals, outreach and community engagement.

In 2019, a Little Food Pantry was installed in front of the Human Services office building as a collaborative effort between the HSD and the family of Estelle Williamson. The pantry is accessible 24/7, 365 days a year, and accepts non-perishable food donations at any time.

To further support food access, a vegetable stand was introduced in 2022, offering fresh produce generously donated by community members. In 2024, the Public Works Department built and installed a permanent structure, ensuring it's continued availability.

Youth Services: Youth Services' mission is to provide programs and services, while building relationships which bond youth in a positive way to their families, schools, peers and community. The department provides programs that strengthen and develop life skills needed to succeed in the many challenges facing the youth of today. Included are a wide range of programs in areas of creativity, leadership, social emotional learning, skill building and school readiness. Ellington Youth Services (EYS) offers creativity-based programs for all ages to promote healthy self-expression. Acts of creativity benefit children's concentration and confidence by stimulating thought organization. This also increases children's ability to work independently and productively. EYS offers leadership-based programs for all ages to establish peer acceptance and goal setting while focusing on the foundations of leadership. These foundations include respect, teamwork, knowing your limits, self-expression, and compassion. Through social emotional learning programs, EYS combines movement, crafts, and games to allow children to feel uncomfortable emotions in a controlled way. Skill building and educational based programs are designed to further positive youth development.

All Youth Services employees are trained in various roles to take on case management clients in addition to referrals and advocacy. Youth Services provides conflict resolution, coping skills, mindfulness, and social skills programs to several classrooms in Elementary Schools. All Middle School and High School students are provided the Signs of Suicide Program each year for suicide prevention, in addition to various health curriculum learning opportunities including body positivity, healthy relationships, and managing stress and anxiety and through referral, a cessation plan. In partnership with the school district, they trained the school staff in recognizing suicide through QPR and SOS programming. In addition, a Youth Services member works with the school and community serving on the Truancy Board and Juvenile Review Board.

Youth Services facilitates various parenting programs including, social media dangers, anxiety and depression, QPR training, supporting parents of LBGTQ children, supporting parents who have children with special needs, autism sensitivity training NARCAN training, Vaping 101, and suicide prevention curriculum nights. They also assist families with advocating, working with the schools and other outside agencies to help their children. The Ellington Council for Developing Positive Youth Culture is a long-standing group that has coordinated prevention services for the youth of Ellington for over 20 years. The group's mission is to create and sustain a positive youth culture for Ellington's youth through collaboration among the community, schools and town agencies. EYS Alliance is an Ellington Youth Service student-based group offering high school students the opportunity to develop critical leadership tools by connecting the youth to the community through education, awareness, and service. EYS Alliance inspires the youth to find their voice and develop skills to successfully navigate life.

Senior Center/Elderly Services: The Ellington Senior Center ("Senior Center") mission is to help participants maintain their independence, dignity and self-respect and productivity through participation in recreation, social, nutritional, educational and informational programs that promotes healthy aging. In 2019-20, the Connecticut Department of Transportation awarded grant funding for a new bus, which arrived in the fall of 2020. In addition, two grants were awarded from North Central Area Agency on Aging, Inc., for EMATS, the Ellington Medical Transportation Appointments Services and for congregate meals under the Ellington Nutritional Partnership Program. The Senior Center also receives grant funding from the Municipal Grant Program to support their transportation program. The Senior Center also utilized ARPA funds to build an indoor fitness center, an outdoor pickleball court and installation of new flooring, and grant funds from the State of Connecticut to complete an outdoor fitness area. The Senior Center was awarded a grant from AARP Livable Communities to obtain a greenhouse to support their gardening program.

In January of 2014, the Town completed the new construction of a 10,600 square foot building. The Senior Center is an accessible, practical building that allows for space to have additional programs and activities. The facility enables staff to offer diverse programs and activities. Participants can enjoy activities in the indoor fitness facility, technology room, games room, library, café, activities room, multi-purpose room and great room. The kitchen is open three days a week and lunch is cooked and served to the participants. In addition to the lunch program, the Senior Center is also open once a week for breakfast, and also for special events such as picnics and holiday dinners. There is also a health room which offers privacy for blood pressure clinics and diabetic screens, podiatrist, hand massage therapy, audiologist screenings, haircuts, therapeutic massage, reiki, and flu shots. There is also a medical loan program which allows individuals to borrow durable medical equipment. Local

businesses such as insurance agencies, realtors, law offices, assisted living facilities and financial institutions offer free 15-minute consultations to participants. AARP offers free tax preparation services during tax season.

Transportation services are offered to residents who are age eligible. Transportation services for residents includes rides for social, nutritional, recreation and education programs. Transportation services include rides to grocery stores, banking, post-office and for non-emergency medical appointments.

The Senior Center collaborates with many community partners. Working with community partners can provide numerous benefits for a senior center and the community it serves. These partnerships can help enhance the services and support available to seniors, promote a sense of inclusiveness and engagement, and create a more comprehensive and well-rounded support network.

Common types of community partners for a senior center might include:

- Local healthcare providers: Partnering with medical professionals and clinics can help provide health and wellness services, screenings, and educational programs for seniors.
- Nonprofit organizations: Collaborating with nonprofits that focus on senior issues, such as Meals on Wheels, AARP, or local senior advocacy groups, can provide additional resources and support.
- Local businesses: Partnering with local businesses can result in discounts for seniors, support for events or fundraisers, and opportunities for employment or volunteer work.
- Educational institutions: Partnering with schools or colleges can lead to intergenerational programs, workshops, and mentorship opportunities for seniors.
- Government agencies: Collaborating with local, state, or federal agencies can help with accessing government-funded programs, grants, or services aimed at seniors.
- Cultural and recreational organizations: Working with museums, theaters, or recreational clubs can provide seniors with opportunities for cultural enrichment and social engagement.
- Volunteer organizations: Partnering with volunteer groups can help recruit volunteers to assist with various activities and events at the Senior Center. The Senior Center has 60+ volunteers that assist in daily operations.
- Local churches and faith-based organizations: These organizations often have dedicated senior outreach programs and can provide spiritual support and community involvement for seniors.
- Social service agencies: Collaborating with agencies that focus on social services can help address issues such as housing, transportation, and financial assistance for seniors.
- Support groups: Partnering with support groups for specific health conditions or personal challenges can offer seniors a sense of community and resources for managing their unique needs.

By working with these and other community partners, the senior center can create a more holistic and supportive environment for seniors, addressing their physical, social, and emotional well-being. It also helps foster a sense of belonging and community for seniors, which can significantly enhance their quality of life.

Health Services: Ellington is a member of the North Central District Health Department (the "District") which provides Ellington with full-time health department coverage and is on call seven days a week, twenty-four hours a day in case of emergencies. Each member town contributes financially to the operation of the District based on its respective population. Numerous services are provided under Community Health including Home Health, Mental Health, Home Maintenance Management and the Meals on Wheels Program. Within these programs, special services are also available including Hospice, Mental Health After Care, Alzheimer's, Private Duty Nursing, Maternal Child Health, Senior Citizen Health and the Substance Abuse Program.

Airport: The Town has a privately owned airport, centrally located, to provide air carrier services to both New York and Boston. The airport can accommodate both fixed-wing aircraft and helicopters. There is an 1,800-foot runway used by small planes.

Utilities: Electricity for the Town is provided by the Eversource, formerly known as Connecticut Light & Power Company.

TOWN EMPLOYEES

The following table illustrates the permanent full and part-time Town employees:

Fiscal Year	2026 [4]	2025	2024 [1]	2023 [2]	2022 [3]
General Government.....	123	283	261	370	350
Board of Education.....	666	658	658	706	511
Total.....	789	941	919	1,076	861

[1] For Fiscal Year ended June 30, 2024 the Town decided to no longer include volunteers in their employee count.

[2] Includes full and regular part-time employees.

[3] Includes full time equivalent employees for the Board of Education.

[4] As of June 30, 2026 over 100 volunteer employees were reclassified from volunteer to inactive creating a drop in the number of General Government employees.

Source: Town Officials, Town of Ellington.

MUNICIPAL EMPLOYEES' BARGAINING UNITS

Organization	Number of Employee	Current Contract Expiration	
General Government			
Public Works & Custodians Local 1303 of Council #4.....	21	June 30, 2030	
White Collar Employees Local 2001.....	22	June 30, 2027	
Police Union Local 2693 of Council #15.....	13	June 30, 2028	
Professional/Volunteer Ambulance Corp.....	7	June 30, 2028	
General Government sub-total.....	63		
Board of Education			
Ellington Administration Association.....	15	June 30, 2027	
Ellington Education Association.....	254	June 30, 2028	
Ellington Eductional Support Staff.....	19	June 30, 2027	
Local 1303-242 of Council #4 AFSCME, Custodians/Cafeteria..	49	June 30, 2026	[1]
Service Employees International Union Local 2001, Aides.....	131	June 30, 2026	[1]
Board of Education sub-total.....	468		
Total General Government and Board of Education.....	531		

[1] Not yet ratified.

Source: Town Officials, Town of Ellington.

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

EDUCATION SYSTEM

The Town's school system services grades pre-kindergarten through twelve and is governed by the local Board of Education. Ellington has a ten-member Board of Education elected to four-year staggered terms. The primary function of the Board of Education is to establish policy. Some of the areas for which such policies are set include curriculum, budget requests submission, ensuring funds for education as appropriated by the Town are properly expended, implementation of both State and Federal laws, and planning for facilities needed by the system, including construction and renovation.

The Town has five schools for grades pre-kindergarten through twelve. Enrollment in grades pre-kindergarten through twelve as of October 1, 2025 is 2,462. The rated capacity of the system facilities is 2,763.

SCHOOL FACILITIES

School	Grades	Construction/Addition/ Renovation	Number of Classrooms	Enrollment 10/01/25	Rated Capacity
Center School.....	Pre-K-4	1949, 1963, 2003	28	427	459
Crystal Lake School.....	K-4	1956, 1977, 2014	11	294	204
Windermere School.....	K-6	1966, 1977, 1995, 2002, 2014	47	629	800
Ellington Middle School.	7-8	1953, 1977, 1989, 1996, 1998	28	410	500
Ellington High School.....	9-12	1960, 1972, 1973, 1978, 2004	58	702	800
Total			172	2,462	2,763

Source: Board of Education, Town of Ellington.

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SCHOOL ENROLLMENT AND PROJECTIONS

School Year	Pre-K	Elementary School	Middle School	High School	Special Education	Total
			Historical			
2021-22	50	1,178	420	815	2	2,465
2022-23	81	1,163	400	757	9	2,410
2023-24	83	1,337	376	749	40	2,585
2024-25	83	1,299	401	717	40	2,540
2025-26	97	1,267	416	723	40	2,543
2026-27	103	1,240	391	753	55	2,542
			Projected			
2027-28	103	1,246	364	739	55	2,507
2028-29	103	1,180	391	741	55	2,470
2029-30	104	1,160	411	725	55	2,455
2030-31	104	1,137	384	730	55	2,410
2031-32	104	1,159	343	721	55	2,382

Source: Board of Education, Town of Ellington.

III. ECONOMIC AND DEMOGRAPHIC INFORMATION

POPULATION TRENDS

Year	Population		% Increase	Density [3]
1970	7,707	[1]	38.1	221
1980	9,711	[1]	26.0	279
1990	11,197	[1]	15.3	322
2000	12,943	[2]	15.6	372
2010	15,679	[2]	21.1	451
2020	16,428	[2]	4.8	472
2024	16,585	[2]	1.0	477

[1] U.S. Department of Commerce, Bureau of Census, 1970 – 1990.
[2] Connecticut Department of Public Health 2000, 2010, 2020 and 2024.
[3] Per square mile: 34.8 square miles.

AGE DISTRIBUTION OF THE POPULATION

	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
Age	Number	Percent	Number	Percent	Number	Percent
Under 5.....	938	5.7	49,409	5.1	181,691	5.0
5 - 9.....	986	6.0	52,844	5.4	195,164	5.4
10 - 14.....	1,433	8.7	57,866	5.9	214,972	5.9
15 - 19.....	781	4.7	65,900	6.7	239,710	6.6
20 - 24.....	990	6.0	69,952	7.2	238,387	6.6
25 - 34.....	1,822	11.1	127,530	13.0	454,892	12.6
35 - 44.....	2,041	12.4	126,899	13.0	460,916	12.7
45 - 54.....	1,802	11.0	118,277	12.1	453,917	12.5
55 - 59.....	1,437	8.7	67,227	6.9	256,068	7.1
60 - 64.....	1,134	6.9	65,081	6.7	258,234	7.1
65 - 74.....	1,641	10.0	100,900	10.3	386,232	10.7
75 - 84.....	1,091	6.6	51,797	5.3	196,373	5.4
85 and over..	359	2.2	23,608	2.4	87,952	2.4
Total	16,455	100.0	977,290	100.0	3,624,508	100.0
Median Age (years)	40.9		40		41.1	

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.
Source: U.S. Census Bureau, 2020-2024 American Community Survey.

INCOME DISTRIBUTION

	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent
Less than $10,000	54	1.3	7,092	2.9	24,004	2.6
$ 10,000 to 14,999	7	0.2	3,069	1.2	12,584	1.4
$ 15,000 to 24,999	0	0.0	7,544	3.1	27,285	3.0
$ 25,000 to 34,999	68	1.6	8,950	3.6	33,429	3.6
$ 35,000 to 49,999	186	4.4	15,981	6.5	59,826	6.5
$ 50,000 to 74,999	224	5.3	27,904	11.3	106,611	11.6
$ 75,000 to 99,999	431	10.2	29,550	12.0	106,893	11.6
$100,000 to 149,999 ..	995	23.6	50,328	20.4	182,785	19.8
$150,000 to 199,999 ..	837	19.8	37,410	15.2	131,310	14.3
$200,000 or more	1,415	33.6	58,377	23.7	236,661	25.7
Total	4,217	100.0	246,205	100.0	921,388	100.0

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.

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

INCOME LEVELS

	Town of Ellington	Capital Planning Region [1]	State of Connecticut
Per Capita Income, 2024.....	$57,643	$51,016	$55,915
Per Capita Income, 2020.....	$48,985	$41,537	$45,668
Per Capita Income, 2010.....	$37,322	$33,108	$36,775
Per Capita Income, 2000.....	$27,766	$25,474	$28,766
Median Family Income, 2024.....	$153,842	$121,211	$122,706
Median Family Income, 2020.....	$124,951	$113,232	$102,061
Median Family Income, 2010.....	$95,547	$91,631	$84,170
Median Family Income, 2000.....	$77,813	$70,856	$65,521
Percent Below Poverty Level 2024.....	1.7%	7.1%	6.9%

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.

Source: U.S. Department of Commerce, Bureau of Census, 2000, 2010, 2020; U.S. Census Bureau, 2020-2024 American Community Survey.

EDUCATIONAL ATTAINMENT

Years of School Completed Age 25 and Over

Educational Attainment Group	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade	134	1.2	25,110	3.7	101,458	4.0
9th to 12th grade	231	2.0	33,385	4.9	114,887	4.5
High School graduate	2,069	18.3	170,364	25.0	647,192	25.3
Some college - no degree	1,693	14.9	110,089	16.2	410,903	16.1
Associates degree	1,375	12.1	55,607	8.2	195,081	7.6
Bachelor's degree	3,382	29.9	158,698	23.3	595,631	23.3
Graduate or professional degree	2,443	21.6	128,066	18.8	489,432	19.2
Total	11,327	100.0	681,319	100.0	2,554,584	100.0
Percent High School Graduate or Higher		96.8%		91.4%		91.5%
Percent Bachelor's Degree or Higher		51.4%		42.1%		42.5%

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.

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

MAJOR EMPLOYERS

As of July 2026

Employer	Nature of Business	Estimated Number of Employees
Town of Ellington	Municipality	789
Big Y/Big Y Express	Youth Organization Center	200
Earthlight	Dairy Products/Fruit Juices	200
Indian Valley Family YMCA	Supermarket/Gas Station	160
Country Pure Foods	Plastic-Mold Manufacturer	110
Dymotek	Solar Energy	100
Kloter Farms Country Store	Retail Counrty Store	100
Barn Yard/Great Country Garages	Mold, Mildew Moisture Control	100
Oakridge Dairy/The Modern Milkman	Bakery	100
The Ivy	Auto Sales, Parts & Service	100
Bestech Inc	Retail Country Store	90
LuAnn's Bakery	Dairy Farm/Home Delivery	75
Bolles Motor, Inc	Assisted Living	75
Data Capture Solutions	Packaging Manufacturer	75
Rice/Action Packaging	Business Services NEC	65
Merrill Industries	Corrugated & Solid Fiber Boxes	50
Ellington Ridge Country Club	Country Club	40
Brymill Cryogen System	Medical Manufacturing	11

Source: Town Officials.

EMPLOYMENT BY INDUSTRY

	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fisheries	120	1.4	1,679	0.3	7,132	0.4
Construction	627	7.1	25,100	5.0	113,006	6.1
Manufacturing	1,382	15.8	53,830	10.7	198,526	10.7
Wholesale trade	121	1.4	9,930	2.0	35,592	1.9
Retail trade	623	7.1	53,136	10.6	192,698	10.4
Transportation & warehousing & utilities	405	4.6	27,678	5.5	87,076	4.7
Information	140	1.6	8,212	1.6	37,488	2.0
Finance, insurance, real estate	1,066	12.2	52,430	10.4	161,226	8.7
Professional, scientific & management	987	11.3	58,810	11.7	228,229	12.3
Educational, health & social services	2,413	27.5	131,914	26.3	496,559	26.8
Arts, entertainment & recreation	590	6.7	37,232	7.4	143,851	7.8
Other professional services	110	1.3	20,247	4.0	80,617	4.4
Public administration	188	2.1	21,656	4.3	67,864	3.7
Total	8,772	100.0	501,854	100.0	1,849,864	100.0

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.

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

EMPLOYMENT DATA

	Percentage Unemployed			
Yearly Average	Town of Ellington %	Hartford Labor Market [1] %	State of Connecticut %	United States %
2016	4.5	4.9	4.9	4.9
2017	4.1	4.4	4.4	4.4
2018	3.7	3.9	3.9	3.9
2019	3.3	3.5	3.6	3.7
2020	6.5	7.9	8.0	8.1
2021	5.5	6.5	6.4	5.4
2022	3.9	4.1	4.0	3.7
2023	3.0	3.1	3.2	3.6
2024	2.9	3.3	3.3	3.2
2025	3.7	4.0	4.0	3.9
2026 Monthly [2]				
January	5.1	5.4	5.5	4.7
February	5.4	5.7	5.8	4.7
March	4.9	5.0	5.1	4.3
April	4.5	5.3	5.2	4.0
May	4.4	4.9	5.0	4.1
June	4.0	4.7	4.9	4.4

[1] Not seasonally adjusted.

[2] Estimated

Source: Department of Labor, State of Connecticut.

AGE DISTRIBUTION OF HOUSING

Year Built	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	671	10.1	75,806	18.2	311,584	20.2
1940 - 1949.....	195	2.9	28,178	6.8	96,711	6.3
1950 - 1959.....	602	9.0	66,307	15.9	217,807	14.1
1960 - 1969.....	589	8.8	59,457	14.3	199,847	13.0
1970 - 1979.....	1,122	16.8	55,074	13.2	210,797	13.7
1980 - 1989.....	877	13.2	54,222	13.0	199,083	12.9
1990 - 1999.....	906	13.6	31,035	7.5	115,803	7.5
2000 - 2009.....	1,143	17.1	26,094	6.3	109,783	7.1
2010 - 2019.....	562	8.4	17,843	4.3	69,596	4.5
2020 or later.....	0	0.0	2,543	0.6	10,811	0.7
Total.....	6,667	100.0	416,559	100.0	1,541,822	100.0
Percent Owner Occupied.....		71.2%		64.9%		64.6%

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.
Source: U.S. Census Bureau, 2020-2024 American Community Survey.

HOUSING INVENTORY

Type	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1-unit, detached.....	4,757	71.4	236,222	56.7	902,771	58.6
1-unit, attached.....	299	4.5	26,594	6.4	99,493	6.5
2 units.....	73	1.1	26,963	6.5	115,211	7.5
3 or 4 units.....	258	3.9	38,037	9.1	125,486	8.1
5 to 9 units.....	660	9.9	24,249	5.8	76,014	4.9
10 to 19 units.....	196	2.9	17,527	4.2	54,675	3.5
20 or more units.....	424	6.4	44,296	10.6	156,730	10.2
Mobile home, boat, other.....	0	0.0	2,671	0.6	11,442	0.7
Total	6,667	100.0	416,559	100.0	1,541,822	100.0

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.
Source: U.S. Census Bureau, 2020-2024 American Community Survey.

OWNER-OCCUPIED HOUSING VALUES

Sales Price Category	Town of Ellington		Capital Planning Region [1]		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than $50,000	101	2.2	6,241	2.4	23,262	2.4
$ 50,000 to $ 99,999	64	1.4	4,429	1.7	14,209	1.5
$ 100,000 to $149,999	140	3.1	8,272	3.2	31,134	3.3
$ 150,000 to $199,999	148	3.2	22,110	8.6	65,851	6.9
$ 200,000 to $299,999	910	19.9	72,223	28.1	205,349	21.5
$ 300,000 to $499,999	2,361	51.7	102,287	39.8	350,277	36.8
$ 500,000 to $999,999	827	18.1	37,877	14.7	197,853	20.8
$1,000,000 and over	15	0.3	3,615	1.4	65,054	6.8
Total	4,566	100.0	257,054	100.0	952,989	100.0
Median Value[2]	$158,000		$151,600		$166,900	
Median Value[3]	$276,800		$259,700		$279,700	
Median Value[4]	$366,900		$323,700		$366,900	

[1] Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Previous to the 2022 data, Tolland County data was used.
[2] Median Sales Price, U.S. Department of Commerce, Bureau of Census, 2000.
[3] Median Sales Price, U.S. Census Bureau, 2016-2020 American Community Survey.
[4] Median Sales Price, U.S. Census Bureau, 2020-2024 American Community Survey.
Source: U.S. Census Bureau, 2020-2024 American Community Survey.

BUILDING PERMITS

Fiscal Year Ending 6/30	Residential		Commercial and Industrial		Other		Total	
	Number	Value	Number	Value	Number	Value	Number	Value
2026	11	$ 2,714,140	3	$ 2,067,322	1204	$17,528,598	1,218	$22,310,060
2025	20	6,799,160	3	2,267,656	1151	40,508,910	1,174	49,575,726
2024	13	2,908,360	8	7,483,969	1087	81,699,121	1,108	92,091,450
2023	9	2,428,620	4	4,044,637	978	17,995,419	991	24,468,676
2022	19	4,547,410	6	9,048,870	1274	15,840,142	1,299	29,436,422
2021	14	3,315,600	2	720,680	1454	18,421,164	1,470	22,457,444
2020	19	4,281,802	5	3,527,814	942	11,218,496	966	19,028,112
2019	25	5,633,200	0	-	1055	14,384,531	1,080	20,017,731
2018	33	10,582,344	2	686,160	1006	12,351,816	1,041	23,620,320
2017	30	12,004,040	7	17,715,280	1043	9,643,550	1,080	39,362,870

Source: Building Department, Town of Ellington.

LAND USE SUMMARY

	Total Area		Developed		Undeveloped	
Classification	**Acreage**	**%**	**Acreage**	**%**	**Acreage**	**%**
Residential	17,500	79.3%	5,165	83.2%	12,335	77.7%
Commercial	720	3.3%	548	8.8%	172	1.1%
Industrial	1,023	4.6%	494	8.0%	529	3.3%
Open Space	1,654	7.5%	0	0.0%	1,654	10.4%
Road Rights of Way	839	3.8%	0	0.0%	839	5.3%
Lakes	339	1.5%	0	0.0%	339	2.1%
Total Area	22,075	100.0%	6,207	100.0%	15,868	100.0%

Source: Town's Plan of Conservation and Development 2024.

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IV. TAX BASE DATA

ASSESSMENTS

The Town had a general property revaluation effective October 1, 2025. The next revaluation is scheduled for October 1, 2030. Under section 12-62 of the Connecticut General Statutes, as amended, the Town must do a revaluation every five years based on generally accepted mass appraisal methods and a revaluation by physical inspection no later than ten years from the preceding physical inspection. A 2006 statute permits a municipality, upon approval of its legislative body, to phase-in a real property assessment increase resulting from a revaluation over a period of up to five years. Various state statutes provide for or authorize exemptions, abatement and other adjustments to assessments. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. Municipalities may choose to phase-in real property assessment increases resulting from a revaluation, but such phase-in must be implemented in less than five assessment years. The maintenance of an equitable tax base, and the location and appraisal of all real and personal property within the Town of Ellington for inclusion onto the Grand List are the responsibilities of the Town's Assessor's Office. The Grand List represents the total of assessed values for all taxable and non-taxable real and personal property and motor vehicles located within the Town on October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at 70 percent of the estimated market value at the time of the last general revaluation, while assessments for personal property and motor vehicles are computed at 70 percent of the annual appraisal value.

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 is classified and priced from a schedule developed at the time of the last revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

All personal property (furniture, fixtures, equipment, and machinery) is revalued annually. An assessor's check and audit is completed periodically.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with Connecticut General Statute 12-63(7). 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 prior to the last day of September are subject to a property tax as if the motor vehicle has been included on the October Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following September 30. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits.

PROPERTY TAX COLLECTION PROCEDURE

Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Real estate tax bills are payable in two installments on July 1 and January 1. Real estate and personal property taxes of less than $600 are due in full in July. Motor vehicle taxes are payable in full, regardless of amount, on July 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as Assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed monthly, with interest charged at the rate of one and one-half percent per month with a minimum charge of $2. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle, personal property, and real estate accounts are transferred to a suspense account after two years at which time they cease to be carried as receivables.

MOTOR VEHICLE PROPERTY TAX RATE

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 4-66*l* 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's mill rate for motor vehicles for the assessment year commencing October 1, 2025 (the fiscal year ending June 30, 2027) is 25.42 mills.

COMPARATIVE ASSESSED VALUATIONS

Grand List Dated	Real Property (%)	Personal Property (%)	Motor Vehicle Property (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	% Growth
2025 [1]	85.8	5.8	8.4	$2,335,740,570	$51,719,780	$2,284,020,790	48.5%
2024	81.8	7.6	10.6	1,606,906,280	69,043,970	1,537,862,310	-1.5%
2023	80.7	7.0	12.3	1,615,620,740	54,589,080	1,561,031,660	-0.4%
2022	80.6	6.3	13.0	1,607,597,920	39,849,560	1,567,748,360	0.6%
2021	81.3	6.2	12.5	1,591,053,980	33,057,950	1,557,996,030	3.4%
2020 [1]	83.6	6.0	10.4	1,539,332,780	32,784,480	1,506,548,300	5.3%
2019	84.0	5.7	10.3	1,463,244,076	32,141,937	1,431,102,139	1.2%
2018	84.6	5.4	10.0	1,450,820,258	36,508,358	1,414,311,900	2.1%
2017	85.0	5.2	9.8	1,420,236,556	35,067,965	1,385,168,591	2.3%
2016	85.2	4.9	9.9	1,379,423,762	25,241,328	1,354,182,434	2.0%

[1] Revaluation Year.
Source: Assessor's Office, Town of Ellington.

PROPERTY TAX LEVIES AND COLLECTIONS

Grand List 1-Oct	FY Ending 30-Jun	Net Taxable Grand List	Mill Rate	Tax Levy	Percent Collected End of Each Fiscal Year	Percent Uncollected End of Each Fiscal Year	Percent Annual Levy Uncollected 6/30/2025	Amount Uncollected as of 6/30/2025
2025	2027	$2,284,020,790	25.42	$58,012,726	Collections 7/1/2026 and 1/1/27			N/A
2024	2026	1,537,862,310	37.10/32.4 [1]	57,147,974	Collections 7/1/2025 and 1/1/26			N/A
2023	2025	1,561,031,660	36.0/32.46 [2]	56,108,920	99.3%	0.7%	0.7%	$385,487
2022	2024	1,567,748,360	34.3/32.46 [3]	53,812,716	99.2%	0.8%	0.4%	206,703
2021	2023	1,557,996,030	32.5/32.46 [3]	50,925,640	99.5%	0.5%	0.2%	102,680
2020	2022	1,506,548,300	31.60	48,126,579	99.3%	0.7%	0.0%	7,268
2019	2021	1,431,102,139	32.60	46,251,148	99.2%	0.8%	0.0%	7,205
2018	2020	1,414,311,900	32.60	46,435,907	99.2%	0.8%	0.0%	1,713
2017	2019	1,385,168,591	31.70	44,342,640	99.4%	0.6%	0.0%	1,666
2016	2018	1,354,182,434	31.70	43,371,144	99.5%	0.5%	0.0%	1,666
2015	2017	1,328,274,057	30.50	40,882,815	99.4%	0.6%	0.0%	1,540

[1] Mill rate for Real estate and Personal Property was levied at 37.10 mills; mill rate for Motor Vehicles was levied at 32.46 mills.
[2] Mill rate for Real estate and Personal Property was levied at 36.00 mills; mill rate for Motor Vehicles was levied at 32.46 mills.
[3] Mill rate for Real estate and Personal Property was levied at 34.30 mills; mill rate for Motor Vehicles was levied at 32.46 mills.
Source: Assessor's Office, Town of Ellington.

TEN LARGEST TAXPAYERS[1]

Business-Name	Nature Of Business	Assessment Valuation as 10/1/2025	Rank	Percent of Total
Deer Valley LLC	Apartments	$ 43,079,240	1	1.89%
Autumn Chase LLC	Apartments	41,448,580	2	1.81%
Deer Valley North LLC	Apartments	37,400,420	3	1.64%
Eversource	Utility	26,605,520	4	1.16%
Natural Country Farms Inc	Juice Company	22,526,080	5	0.99%
Arji Ellington LLC	Real Estate	20,566,660	6	0.90%
Ellington Cornfield Association LLC	Apartments	16,705,580	7	0.73%
FMF Ellington Portfolio LLC	Real Estate	13,367,130	8	0.59%
Oakridge Dairy LLC	Dairy Farm	12,173,790	9	0.53%
Connecticut Water Company	Utility	10,695,560	10	0.47%
	Total	**$244,568,560**		**10.71%**

[1] Based on a 10/1/25 Net Taxable Grand List of $2,284,020,790.
Source: Assessor's Office, Town of Ellington.

EQUALIZED NET GRAND LIST

Grand List of 10/1	Equalized Net Grand List	% Growth
2024	$3,468,582,345	9.18%
2023	3,176,962,470	6.55%
2022	2,981,636,201	7.88%
2021	2,763,937,622	28.71%
2020	2,147,498,040	0.79%
2019	2,130,763,585	2.79%
2018	2,072,861,393	3.27%
2017	2,007,169,946	1.37%
2016	1,980,074,302	4.35%
2015	1,897,496,889	0.86%

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

V. FINANCIAL INFORMATION

FISCAL YEAR

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

BASIS OF ACCOUNTING

Accounting Policies

The financial statements of the Town of Ellington, Connecticut have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Please refer to Appendix A "Basic Financial Statements" herein for compliance and implementation details.

The reporting model includes the following segments:

Management's Discussion and Analysis ("MD&A") – provides introductory information on basic financial statements and an analytical overview of the Town's financial activities.

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

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

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

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

BUDGETARY PROCEDURES

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

The budget is adopted via Town Meeting. The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements:

- The Board of Finance submits a proposed operating budget for the fiscal year commencing July 1 to a public budget hearing, at which taxpayer comments are obtained. The Board of Finance then prepares the recommended Town budget, which it presents at the annual Town Meeting held on the second Tuesday in May. The operating budget includes proposed expenditures and the means of financing them.

- Expenditures are budgeted by function, department and object. Management may not exceed appropriations at the department level and must seek approval from the Board of Finance to reassign resources within a department, except for the Board of Education. The Board of Education may reassign resources within its department without seeking Board of Finance approval.

- The legal level of budgetary control (the level at which expenditures may not exceed appropriations) is the department level. The Board of Finance is authorized to transfer budgeted amounts within and between departments and objects as needed during the year.

- Additional appropriations of less than one half of one percent of the total annual budget must be approved by the Board of Finance and Board of Selectmen. Appropriations in excess of one half of one percent of the total annual budget must be approved at Town Meeting.

The Town's budget process must also anticipate the impact of the State's budget which proceeds simultaneously with the Town's.

MUNICIPAL BUDGET EXPENDITURES CAP

Connecticut General Statutes Section 4-66*l* creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of $100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. For fiscal year ending June 30, 2026 the Town received $2,676 of municipal revenue sharing grants.

ANNUAL AUDIT

Pursuant to the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes), the Town is obligated to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management, and a copy of said audit report must be filed with the Office of Policy and Management. The Town of Ellington is in full compliance with said provisions. For the fiscal year ended June 30, 2025, the financial statements of the Town were audited by the firm of CliftonLarsonAllen LLP, West Hartford, Connecticut.

Certificate of Achievement for Excellence in Financial Reporting: ***The Government Finance Officers' Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Ellington for its Comprehensive Annual Financial Reports since 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.***

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. The comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

PENSION PLANS

Defined Contribution Money Purchase Plan

The Town provides retirement benefits for full-time and eligible part-time employees of the Town through a noncontributory money purchase plan. Eligible employees are able to participate from the date of employment. The Town's contribution for each employee (and interest allocated to the employee's account) are fully vested from the date of employment. The Town is required to contribute 7.1% of the payroll of active employees. In addition, the Town matches employee contributions up to an additional 4.64% of the employee's salary.

The Town's contribution amounted to $638,678 the fiscal year ended June 30, 2026. All monies contributed are used to purchase insurance contracts on-behalf of the participants, therefore, the assets of the plan are not included in the Town's basic financial statements.

Deferred Compensation Plan

The Town offers its employees a deferred compensation plan (the "Plan") in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits them to defer a portion of their salary until future years. Employee deferrals amounted to $578,163 for the year ended June 30, 2026. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust for the exclusive benefit of the plan participants and their beneficiaries. Accordingly, the assets of the Plan are not included in the Town's basic financial statements.

Volunteer Firefighters' Length of Service Award Program

The Town sponsors a single-employer defined benefit Length of Service Award Program ("LOSAP") for active volunteer firefighters of the Crystal Lake Fire Department and the Ellington Fire Department. The program was established pursuant to Connecticut General Statutes and provides municipality-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters.

Active volunteer firefighters who have reached the age of 17 and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age of 65.

The Town has obtained an actuarial valuation as of August 1, 2025:

Actuarial Valuation Date	Actuarial Determined Contribution (ADC)	Annual Contribution	% of ADEC Contributed
LOSAP			
2022	$95,715	$86,716	90.60%
2023	55,918	86,968	155.53%
2024	49,152	189,371	385.28%
2025	54,594	0	0.00%
2026	50,821	101,665	200.05%

The Town implemented GASB Statement No. 67. The following net pension liability of the LOSAP at July 31, 2024, determined by an actuarial valuation as of August 1, 2023 and based on actuarial assumptions as of that date, were as follows:

Volunteer Firefighters' Length of Service Award Program ("LOSAP")					
	2025	2024	2023	2022	2021
Total LOSAP liability	$2,247,880	$2,254,805	$1,986,961	$2,265,570	$2,187,720
Plan fiduciary net postion	1,350,333	1,408,369	1,268,308	1,240,380	1,289,865
Net LOSAP liability	897,547	846,436	718,653	1,025,190	897,855
Plan fiduciary net position as a % of total LOSAP liability	60.1%	62.5%	63.8%	54.7%	59.0%

The following presents the net pension liability, calculated using the discount rate of 3.95% as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.95%) or 1-percentage-point higher (4.95%) than the current rate.

	Fiscal year ending June 30, 2026		
	1% Decrease 2.95%	Current Discount Rate 3.95%	1% Increase 4.95%
LOSAP:			
Net LOSAP Liability	$ 1,236,000	$ 897,547	$ 623,000

Municipal Employees' Retirement System

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

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

Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education are eligible to participate in the State of Connecticut Teachers' Retirement System, a multiple employer public employees retirement system described in the Connecticut General Statutes Chapter 167a. The system has been established to provide retirement and other benefits for teachers, their survivors and beneficiaries. The financial report for this may be obtained through the State Teachers' Retirement Board.

Please refer to the Town of Ellington's "Notes to Financial Statements", Note 4, in "Appendix A" hereto for further information on the Town's Pension Plans.

OTHER POST-EMPLOYMENT BENEFITS

Town and Board of Education Program

The Town provides eligible retirees and their spouses with other post-employment benefits ("OPEB program") for medical and dental coverage through the Town's group health insurance plans, which cover both active and retired members in a single employer OPEB defined benefit plan. Benefit and contribution provisions are established through negotiations between the Town and the union representing Town employees, and are negotiated between three-year and five-year bargaining periods. The Town currently pays for post-employment health care benefits on a pay-as-you-go basis.

The Town implemented GASB Statement No. 74. The following net OPEB liabilityof the Town OPEB Plan at June 30, 2025, determined by an actuarial valuation as of July 1, 2024 and based on actuarial assumptions as of that date, were as follows:

	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Increase 6.20%
Town's Net OPEB Liability as of June 30, 2025	$ 4,588,814	$ 4,080,424	$ 3,653,059

Connecticut State Teachers' Retirement System

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health

Insurance Plan ("TRS-RHIP"), which is a cost sharing multiple-employer defined benefit pension plan that provides retirement, disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statutes ("CGS") Title 10, Chapter 167a and is administered by the Connecticut State Teachers' Retirement Board (the "Board"). The OPEB trust fund is included in the TRS, and the TRS is included in the State of Connecticut audit as a pension trust fund. These reports can be obtained from the Connecticut Office of the State Comptroller or at www.ct.gov/trb.

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

Please refer to the Town of Ellington's "Notes to Financial Statements", Note 5, in "Appendix A" hereto for further information on the Town's Other Post-Employment Benefits.

INVESTMENT PRACTICES

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

The Town's investment practices are in compliance with the Connecticut General Statutes.

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

	Fiscal Year 2024-25			Fiscal Year 2025-26	Fiscal Year 2026-27
	Final Budget	Actual Operations	Variance Favorable (Unfavorable)	Unaudited Estimates	Adopted Budget
REVENUES					
Property Taxes	$ 55,811,473	$ 56,260,296	$ 448,823	$ 57,627,952	$ 58,222,726
Intergovernmental	11,645,973	12,203,182	557,209	12,136,629	12,872,363
Charges for Services	1,627,588	2,005,435	377,847	2,742,137	1,746,225
Investment Income	520,000	1,680,007	1,160,007	1,450,750	920,000
Debt Retirement	90,000	90,000	-	90,000	90,000
Other	777,270	840,302	63,032	387,597	1,348,684
TOTAL REVENUES	**70,472,304**	**73,079,222**	**2,606,918**	**74,435,065**	**75,199,998**
EXPENDITURES					
Current:					
General Government	2,384,054	2,237,133	146,921	2,293,960	2,486,268
Boards and Agencies	137,392	131,171	6,221	105,059	124,770
Public Safety	3,788,883	3,661,923	126,960	3,925,127	4,190,569
Public Works	5,546,827	5,364,220	182,607	5,596,216	5,713,416
Recreation	830,310	789,945	40,365	818,920	896,586
Library	778,193	765,697	12,496	787,824	787,012
Human Services	933,912	891,340	42,572	944,919	1,008,493
Town Properties	804,592	793,407	11,185	696,644	625,009
Debt Service	3,154,791	3,144,377	10,414	2,924,542	3,971,960
Other	4,222,074	3,933,147	288,927	4,000,543	4,900,274
Education	46,715,160	46,564,324	150,836	47,921,412	49,199,508
Capital Outlays	2,181,199	2,181,199	-	2,243,912	1,820,290
TOTAL EXPENDITURES	**71,477,387**	**70,457,883**	**1,019,504**	**72,259,078**	**75,724,155**
Excess (deficiency) of revenues over expenditures	(1,005,083)	2,621,339	3,626,422	2,175,987	(524,157)
Other financing sources (uses):					
Appropriation of fund balance	592,083	-	(592,083)	-	524,157
Transfers In	413,000	213,000	(200,000)	-	-
Transfers Out	-	-	-	-	-
Total Other financing sources (uses)	1,005,083	213,000	(792,083)	-	524,157
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	**$ -**	**$ 2,834,339**	**$ 2,834,339**	**$ 2,175,987**	**$ -**

Source: Annual Audited Financial Statements 2025; Unaudited financials 2026; Adopted Budget 2027.

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

FISCAL YEAR ENDED:	2025	2024	2023	2022	2021
ASSETS					
Cash and cash equivalents	$ 28,692,808	$ 23,337,860	$ 17,996,064	$ 17,006,045	$ 19,510,303
Investments	-	-	-	-	-
Receivables	954,524	850,600	443,660	680,409	659,223
Due from Other Funds	-	-	4,715,661	2,155,436	3,416,101
Prepaid and Other Assets	-	-	-	-	-
TOTAL ASSETS	**$ 29,647,332**	**$ 24,188,460**	**$ 23,155,385**	**$ 19,841,890**	**$ 23,585,627**
LIABILITIES					
Accounts payable and Accrued Liabilites	$ 2,528,840	$ 2,229,821	$ 1,433,576	$ 603,536	$ 2,020,397
Due to Other Funds	2,862,200	1,921,131	5,456,293	4,488,457	5,946,138
Unearned Revenue	-	-	-	-	67,175
Total Liabilities	**5,391,040**	**4,150,952**	**6,889,869**	**5,091,993**	**8,033,710**
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	607,900	479,497	208,879	467,408	399,562
Unavailable Revenue - Loans	-	-	-	-	-
Unavailable Revenue - Loans	-	-	-	-	5,823
TOTAL DEFERRED INFLOWS	**607,900**	**479,497**	**208,879**	**467,408**	**405,385**
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	11,683,407	10,383,494	9,050,506	8,888,301	8,621,323
Assigned	1,125,918	744,538	1,130,571	1,765,712	2,970,608
Unassigned	10,839,067	8,429,979	5,875,560	3,628,476	3,554,601
TOTAL FUND BALANCE	**23,648,392**	**19,558,011**	**16,056,637**	**14,282,489**	**15,146,532**
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	**$ 29,647,332**	**$ 24,188,460**	**$ 23,155,385**	**$ 19,841,890**	**$ 23,585,627**

Source: Annual Audited Financial Statements 2021-2025.

GENERAL FUND REVENUES AND EXPENDITURES

Summary of Audited Revenues and Expenditures

(GAAP Basis)

FISCAL YEAR ENDED:	2025	2024	2023	2022	2021
REVENUES					
Property Taxes	$56,260,296	$53,879,684	$51,053,057	$48,203,657	$47,391,833
Intergovernmental	20,811,159	20,385,923	19,183,521	17,586,867	17,704,158
Charges for Services	1,993,272	1,813,858	1,840,814	1,797,216	1,495,801
Investment Income	1,680,592	1,675,312	1,049,469	67,183	20,175
Other	146,597	114,379	127,851	351,574	185,776
Capital Leases	-	-	376,266	373,342	624,424
Transfers In	888,000	624,362	-	51,878	3,593,324 [1]
Total Revenues & Transfers In	**$81,779,916**	**$78,493,518**	**$73,630,978**	**$68,431,717**	**$71,015,491**
EXPENDITURES					
General Government	2,225,137	2,157,902	2,093,415	1,665,855	1,639,462
Boards & Agencies	131,169	120,821	110,608	90,278	111,711
Public Safety	3,665,312	3,559,589	3,385,255	3,084,454	3,135,802
Public Works	5,408,965	5,234,387	5,030,285	4,852,726	4,098,906
Recreation	787,041	720,414	629,488	504,709	388,628
Library	765,698	769,781	730,788	704,816	675,577
Human Services	892,593	842,858	797,680	710,084	711,627
Town Properties	810,788	683,927	690,474	839,021	814,963
Education	54,901,767	53,550,441	50,828,018	48,496,520	46,478,424
Other	3,533,151	3,476,223	3,291,806	3,244,047	2,974,691
Debt Service	2,569,044	2,117,238	2,683,529	2,738,273	2,828,798
Capital Outlay	1,900,870	1,607,914	1,585,484	2,322,557	2,413,735
Transfers Out	98,000	150,649	-	42,420	3,832,927 [2]
Total Expenditures & Transfers Out	**77,689,535**	**74,992,144**	**71,856,830**	**69,295,760**	**70,105,251**
Results from Operations	$4,090,381	$3,501,374	1,774,148	(864,043)	910,240
Fund Balance - July 1	19,558,011	16,056,637	14,282,489	15,146,532	14,236,292
Fund Balance - June 30	**$ 23,648,392**	**$ 19,558,011**	**$ 16,056,637**	**$ 14,282,489**	**$ 15,146,532**

[1] Includes $3,200,000 in refunding bonds and $393,324 in bond premium.

[2] Includes $3,533,527 in refunded bond escrow.

Source: Annual Audited Financial Statements 2021-2025.

ANALYSIS OF GENERAL FUND EQUITY
(GAAP Basis)

FISCAL YEAR ENDED:	2025	2024	2023	2022	2021
Nonspendable	$ -	$ -	$ -	$ -	$ -
Committed	11,683,407	10,383,494	9,050,506	8,888,301	8,621,323
Assigned	1,125,918	744,538	1,130,571	1,765,712	2,970,608
Unassigend	10,839,067	8,429,979	5,875,560	3,628,476	3,554,601
Total Fund Balance	**23,648,392**	**19,558,011**	**16,056,637**	**14,282,489**	**15,146,532**
Unassigned Fund Balance As % of Total Expenditures	**13.95%**	**11.24%**	**8.18%**	**5.24%**	**5.07%**

Source: Annual Audited Financial Statements 2021-2025.

PROPERTY TAX REVENUES

Fiscal Year	General Fund Revenues & Transfers in	Property Tax Revenues	Property Tax Revenues as a Percentage of General Fund Revenues
2027 [1]	$75,199,998	$58,222,726	77.4 %
2026 [2]	74,435,065	57,627,952	77.4
2025	81,779,916	56,260,296	68.8
2024	78,493,518	53,879,684	68.6
2023	73,630,978	51,053,057	69.3
2022	68,431,717	48,203,657	70.4
2021	71,015,491	47,391,833	66.7

[1] Adopted budget.
[2] Unaudited estimates.

INTERGOVERNMENTAL REVENUES

Fiscal Year	General Fund Revenues & Transfers in	Intergovernmental Revenue	Aid as a Percentage of General Fund Revenues
2027 [1]	$75,199,998	$12,872,363	17.1 %
2026 [2]	74,435,065	12,136,629	16.3
2025	81,779,916	20,811,159	25.4
2024	78,493,518	20,385,923	26.0
2023	73,630,978	19,183,521	26.1
2022	68,431,717	17,586,867	25.7
2021	71,015,491	17,704,158	24.9

[1] Adopted budget.
[2] Unaudited estimates.

EXPENDITURES

Fiscal Year	Education	Public Safety	General Government	Public Works	Debt Service
2027 [1]	65.0%	5.5%	3.4%	7.5%	5.2%
2026 [2]	66.3%	5.4%	3.3%	7.7%	4.0%
2025	70.7%	4.7%	3.0%	7.0%	3.3%
2024	71.4%	4.7%	3.0%	7.0%	2.8%
2023	70.7%	4.7%	3.1%	7.0%	3.7%
2022	70.0%	4.5%	2.5%	7.0%	4.0%
2021	66.3%	4.5%	2.5%	5.8%	4.0%

[1] Adopted budget.
[2] Unaudited estimates.

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PRINCIPAL AMOUNT OF INDEBTEDNESS

As of September 22, 2026
(Pro Forma)

Long-Term Debt

Date of Issue	Purpose	Rate %	Original Issue	Debt Outstanding As of 9/22/26	Fiscal Year Maturity
General Purpose					
6/18/2015	General Purpose	2.00-4.00	$1,230,000	$540,000	2035
6/27/2017	General Purporse	2.06	1,375,000	135,000	2027
6/22/2021	General Purpose New Money	3.00-4.00	125,000	70,000	2041
6/22/2021	General Purpose Refunding	3.00-4.00	2,979,000	1,155,000	2033
9/24/2024	General Purpose	4.00-5.00	1,522,500	1,365,000	2045
			$7,231,500	$3,265,000	
Schools					
6/18/2015	School Improvements	2.00-4.00	9,400,000	4,230,000	2035
6/22/2021	School Improvements New Money	3.00-4.00	2,020,000	1,415,000	2041
6/22/2021	School Refunding…	3.00-4.00	226,000	120,000	2033
9/24/2024	School Improvements	4.00-5.00	5,477,500	4,935,000	2045
9/23/2025	School Improvements	4.00-5.00	12,450,000	11,825,000	2046
9/22/2026	School Improvements (This Issue)	TBD	4,500,000	4,500,000	2047
			$34,073,500	$27,025,000	
	Total Long-Term Debt		**$41,305,000**	**$30,290,000**	

Short-Term Debt:

Project	Amount Authorized	Rate %	The Notes Due: 9/21/27
Windermere Building Project	$74,600,000	TBD	$ 13,500,000
Total			$ 13,500,000

Other Long-Term Debt:

The Town entered into an agreement with the Town of Vernon for the upgrade and expansion of its existing wastewater treatment facility in 1996 funded through Clean Water Fund (CWF). The treatment facility accepts sanitary wastes from Vernon, as well as portions of the surrounding towns of Ellington, Tolland, Manchester and South Windsor in accordance with the provisions of inter-municipal sewer agreements between each of those towns and Vernon. An amended September 15, 2017 agreement was entered into between the Town of Ellington and Vernon. Pursuant to the 2017 agreement, Ellington has paid its pro rata share of the 1997 capital cost of the sewer treatment plant upgrade based upon its reserved flow capacity since the inception of the CWF loan to Vernon, and paid the sum of $683,354 in FY2021, $774,970 in FY2022, and then $584,771 thereafter annually for the balance of the 2017 CWF loan term, which ends in July 2040.

Capital Leases Payable (principal only)[1]:

2027	$65,757
2028	5,988
2029	6,386
2030	6,801
2031-2035	40,909
2036-2040	30,834
	$156,675

[1] As of September 22, 2026

SCHOOL BUILDING GRANT REIMBURSEMENTS

Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, for all school building projects approved after July 1, 1996, the State provides proportional progress payments during construction for the State's share of the eligible construction costs. The State grant will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its bonds only for its share of project costs.

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ANNUAL BONDED DEBT MATURITY SCHEDULE [1, 2]

As of September 22, 2026

(Pro Forma)

Fiscal Year Ending	General Obligation Bonds		Bonds This Issue			Percent
30-Jun	Principal	Interest	Principal	Interest	Total	Retired
2027	$ 665,000	$ 602,606	$ -	$ -	1,267,606	2.20%
2028	1,800,000	995,800	225,000	-	3,020,800	8.88%
2029	1,800,000	919,350	225,000	-	2,944,350	15.57%
2030	1,800,000	842,238	225,000	-	2,867,238	22.25%
2031	1,795,000	764,563	225,000	-	2,784,563	28.92%
2032	1,795,000	687,775	225,000	-	2,707,775	35.59%
2033	1,785,000	611,925	225,000	-	2,621,925	42.23%
2034	1,785,000	537,975	225,000	-	2,547,975	48.86%
2035	1,610,000	471,525	225,000	-	2,306,525	54.92%
2036	1,080,000	410,825	225,000	-	1,715,825	59.23%
2037	1,075,000	368,775	225,000	-	1,668,775	63.52%
2038	1,075,000	326,825	225,000	-	1,626,825	67.81%
2039	1,075,000	284,875	225,000	-	1,584,875	72.10%
2040	1,075,000	242,925	225,000	-	1,542,925	76.39%
2041	1,075,000	200,975	225,000	-	1,500,975	80.69%
2042	970,000	160,600	225,000	-	1,355,600	84.63%
2043	970,000	121,800	225,000	-	1,316,800	88.58%
2044	970,000	83,000	225,000	-	1,278,000	92.52%
2045	970,000	44,200	225,000	-	1,239,200	96.47%
2046	620,000	12,400	225,000	-	857,400	99.26%
2047	-	-	225,000	-	225,000	100.00%
Total	**$25,790,000**	**$ 8,690,956**	**$ 4,500,000**	**$ -**	**$38,980,956**	

[1] Excludes capital lease obligations.

[2] Excludes principal payments of $1,360,000 and interest payments of $736,047 made in the current Fiscal Year 2026-27.

OVERLAPPING/UNDERLYING DEBT

Crystal Lake Fire District is a taxing district in the Town. The Fire District has no outstanding debt. The Town of Ellington does not have overlapping or underlying debt.

DEBT STATEMENT [1]

As of September 22, 2026
(Pro Forma)

Long-Term Indebtedness	
General Purpose	$ 3,265,000
Schools *(includes this issue)*	27,025,000
Sewers	-
Total Long-Term Indebtedness	30,290,000
Short-Term Indebtedness ***(includes this issue)***	
Note payable *(this issue)*	13,500,000
Total Short-Term Indebtedness	13,500,000
Total Direct Indebtedness	43,790,000
Exclusions:	
Less:	
Sewer Assessements	167,865 [2]
Net Direct Indebtedness	43,622,135
Overlapping/Underlying Indebtedness	-
Total Overall Net Direct Indebtedness	$ 43,622,135

[1] Excludes capital lease obligations.
[2] Fiscal Year ended June 30, 2025.

CURRENT DEBT RATIOS

September 22, 2026
(Pro Forma)

Population[1]	16,455
Net Taxable Grand List (10/1/25)	$2,284,020,790
Estimated Full Value	$3,262,886,843
Equalized Net Taxable Grand List (10/1/24)	$3,468,582,345
Per Capita Income (2024)	$57,643

	Total Direct debt $43,790,000	**Total Net Direct Debt $43,622,135**	**Total Overall Net Debt $43,622,135**
Per Capita	$2,661.20	$2,651.00	$2,651.00
Ratio to Net Taxable Grand List	1.92%	1.91%	1.91%
Ratio to Estimated Full Value	1.34%	1.34%	1.34%
Ratio to Equalized Net Taxable Grand List	1.26%	1.26%	1.26%
Debt per Capita to Money Income per Capita	4.62%	4.60%	4.60%

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

BOND AUTHORIZATION

The Town of Ellington has the power to incur indebtedness by issuing its bonds or notes as authorized by the General Statutes of the State of Connecticut subject to statutory debt limitations and the procedural requirements of the Town Charter. The issuance of bonds and notes is authorized by the Town Meeting, at which all electors and certain non-resident property owners can vote upon the recommendations of the Board of Finance.

MATURITIES

General obligation bonds (serial and term) 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. The first installment of any series of bonds shall mature not later than three years from the date of the issue of such series. 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, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions no later than the end of the third year and for each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of $1/20^{th}$ ($1/30^{th}$ for sewer projects and certain school projects) of estimated net project cost (CGS Sec. 7-378a) subject to the exception set forth in CGS Sec. 10-287f. The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer and school projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than ten years, or pursuant to Public Act No. 02-114, effective October 1, 2002, eight years from the initial borrowing date except for sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

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

Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

LIMITATION OF INDEBTEDNESS

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

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

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

Section 7-374 of the Connecticut General Statutes also provides for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) for the supply of water, gas, electricity; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; and for two or more of such purposes; (iii) issued in

anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which 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 costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain pollution control projects; and (vi) upon placement in escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in 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 and interest on such bond, note or other evidence of indebtedness.

STATEMENT OF STATUTORY DEBT LIMITATION

As of September 22, 2026

Total Receipts for fiscal year ended June 30, 2024 (including interest and lien fees)[1]	$ 53,685,929
State Reimbursement for Revenue Loss on:	
Tax Relief for Veterans & Disabled	-
Base for Establishing Debt Limit	$ 53,685,929

	General Purpose	Schools	Sewers	Urban Renewal	Past Pension	Total Debt
(2.25 times base)	$120,793,340					
(4.50 times base)		$241,586,681				
(3.75 times base)			$201,322,234			
(3.25 times base)				$174,479,269		
(3.00 times base)					$161,057,787	
(7.00 times base)						$375,801,503
Indebtedness						
Bonds Payable *(Includes this issue)*	$ 3,265,000	$ 27,025,000	$ -	$ -	$ -	$ 30,290,000
Notes *(This issue)*	-	13,500,000	-	-	-	13,500,000
Authorized but Unissued Debt	1,000	10,588,175	-	-	-	10,589,175
Total Bonded Indebtedness	3,266,000	51,113,175	-	-	-	54,379,175
Less Sewer Assessments	-	-	167,865 [2]	-	-	167,865
Net Bonded Indebtedness	3,266,000	51,113,175	(167,865)	-	-	54,211,310
Excess of Limit Over Outstanding and Authorized Debt	$117,527,340	$190,473,506	$201,490,099	$174,479,269	$161,057,787	$321,590,193

[1] Does not include collection or debt of Crystal Lake Fire District, a coterminous municipality of the Town.
[2] Represents Sewer Assessment receivables as of June 30, 2025.
Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or $375,801,503.

AUTHORIZED BUT UNISSUED DEBT

As of September 22, 2026
(Pro Forma)

Project	Amount of Total Authorization	Prior Debt Issued	Paydowns / Grants / Other Funds	Notes Due 9/22/2026	Additions/ (Reductions)	Bonds This Issue	Notes This Issue	Authorized But Unissued
Windermere Building Project	$ 74,600,000	$17,361,038 [2]	$35,388,037	$15,250,000	$ 2,750,000	$4,500,000	$13,500,000	$ 3,850,925 [1]
School HVAC Project	6,736,250	-	-	-	-	-	-	6,736,250
Athletic Facilities Lighting Project.	3,047,000	3,045,000	-	-	-	-	-	2,000
Total All Projects	$ 84,383,250	$20,406,038	$35,388,037	$15,250,000	$ 2,750,000	$4,500,000	$13,500,000	$10,589,175

[1] It is anticipated that this project will qualify for State of Connecticut School Construction Grants of approximately $52,220,000.
[2] Includes $956,038 previously issued bond proceeds reallocated from the Crystal Lake/Windermere Project to the Windermere Building Project.

PRINCIPAL AMOUNT OF OUTSTANDING DEBT [1]

Long-Term Debt	2026 Est.	2025	2024	2023	2022	2021
Bonds.....	$27,150,000	$16,100,000	$10,150,000	$11,505,000	$13,255,000	$15,065,000
Short-Term Debt						
Bond Anticpation Notes.....	15,250,000	21,745,000	22,000,000	0	0	0
Totals.....	$42,400,000	$37,845,000	$32,150,000	$11,505,000	$13,255,000	$15,065,000

[1] Excludes capital lease obligations.

RATIO OF DIRECT DEBT TO VALUATION, POPULATION AND INCOME

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Direct Debt[1]	Ratio of Direct Debt to Net Assessed Value (%)	Ratio of Direct Debt to Estimated Full Value (%)	Population[2]	Direct Debt per Capita	Ratio of Direct Debt per Capita to Per Capita Income (%)[3]
2026 Est.	$1,537,862,310	$2,196,946,157	$42,400,000	2.76%	1.93%	16,455	$2,576.72	4.47%
2025	1,561,031,660	2,230,045,229	37,845,000	2.42%	1.70%	16,455	2,299.91	3.99%
2024	1,567,748,360	2,239,640,514	32,150,000	2.05%	1.44%	16,455	1,953.81	3.39%
2023	1,557,996,030	2,225,708,614	11,505,000	0.74%	0.52%	16,700	688.92	1.20%
2022	1,506,548,300	2,152,211,857	13,255,000	0.88%	0.62%	16,558	800.52	1.39%
2021	1,431,102,139	2,044,431,627	15,065,000	1.05%	0.74%	16,339	922.03	1.60%

[1] Excludes State of Connecticut School Construction Grants, actual and estimated, due to the Town of Ellington over the life of the bond issues.
[2] U.S. Census Bureau 2020-2024 American Community Survey.
[3] Income per Capita: $57,643: U.S. Census Bureau, 2020-2024 American Community Survey.

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

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VII. LEGAL AND OTHER LITIGATION

LITIGATION

The Town Attorney advised that the Town of Ellington, Connecticut, its officers, employees, boards and commissions are named defendants in a few lawsuits. With regard to these pending lawsuits, it is the Town Attorney's opinion that such pending litigation will not be finally determined so as to result individually or in the aggregate in final judgments against the Town which would materially adversely affect its financial position.

MUNICIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent municipal advisor to the Town on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The plan of financing and the structuring of the Bonds was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

TRANSCRIPT AND CLOSING DOCUMENTS

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

1. A Signature and No Litigation Certificate stating that at the time of delivery of the Bonds and the Notes no litigation is pending or threatened affecting the validity of the Bonds and the Notes or the levy or collection of taxes to pay them.

2. A Certificate on behalf of the Town signed by the First Selectman and Finance Officer/Treasurer which will be dated the date of delivery and which will certify, to the best of said officials' knowledge and belief, that at the time the bids were accepted, the descriptions and statements contained in the Official Statement (with such supplemental information concerning ratings, insurance, interest rates and corrections) relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, that no view is expressed with respect to any information furnished to the Town by or on behalf of the purchaser or any insurer specifically for inclusion in the Official Statement, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.

3. Receipts for the purchase price of the Bonds and the Notes;

4. The approving opinions of Pullman & Comley LLC, Bond Counsel, of Hartford, Connecticut substantially in the forms attached hereto as Appendices B and C;

5. Executed Continuing Disclosure Agreements for the Bonds and the Notes in substantially in the forms attached hereto as Appendices D and E; and

6. The Town has prepared a Preliminary Official Statement for the Bonds and the Notes which is dated September 1, 2026. The Town deems such Preliminary Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(i), but it is subject to revision or amendment. The Town will make available to each winning bidder a reasonable number of copies of the Official Statement at the Town's expense within seven business days of the bid opening.

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

CONCLUDING STATEMENT

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

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

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

TOWN OF ELLINGTON, CONNECTICUT

By: _____
Laurie Burstein, *First Selectman*

By: _____
Matthew Evans, *Finance Officer/Treasurer*

September ___, 2026

APPENDIX A - BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Appendix A - Basic Financial Statements - is taken from the Annual Comprehensive Financial Report of the Town of Ellington for the Fiscal Year ended June 30, 2025 as presented by the Auditors and does not include all of the schedules or management letter made in such report. A copy of the complete report is available upon request to the Director of Finance, Town of Ellington, Ellington, Connecticut.

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Finance
Town of Ellington, 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 the Town of Ellington, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Ellington, Connecticut'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, and the aggregate remaining fund information of the Town of Ellington, Connecticut, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 7 to the financial statements, effective July 1, 2024, the Town identified an error in the aggregate remaining funds related to an unidentified prior year liability. Our opinions are not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error in preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Ellington, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Ellington, Connecticut'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 Town of Ellington, Connecticut's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Ellington, Connecticut's basic financial statements. The combining and individual fund financial statements, and schedule of the tax collector are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements, and schedule of the tax collector 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **November 4, 2025**October 29, 2025, on our consideration of the Town of Ellington, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Ellington, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Ellington, Connecticut's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
October 29, 2025

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

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $136,817,723 (net position). Of this amount, $32,581,682 represents the Town's unrestricted net position, which may be used to meet the Town's ongoing obligations to its citizens and creditors.

- The Town's change in net position for the year ended June 30, 2025 amounted to an increase of $27,235,687.

- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $13,730,574, a decrease of $(9,764,815) in comparison with the prior year.

- At the end of the current fiscal year, the total fund balance of the Town's General Fund was $23,648,392, an increase of $4,090,381 in comparison with the prior year.

- The Town's total long-term debt increased by $5,723,852 or 54.5% due to issuance of general obligation bonds in 2024 offset by scheduled principal repayments on general obligation bonds, direct placement notes payable arrangements and lease arrangements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-wide Financial Statements (Continued)

Both government-wide financial statements are intended to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, recreation, library, human services, and education. The business-type activities of the Town include sewer and solid waste activities.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, ARPA Fund, Education Grants Fund, and Windermere School Addition/Renovation Fund, all of which are considered major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 19 through 22 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Proprietary Funds
The Town maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer and solid waste disposal operations. Internal service funds are used for the financing of goods and services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis. The Town uses internal service funds to account for the Board of Education's medical and dental self-insurance funds.

The Town maintains four individual enterprise funds and two individual internal service funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Information is presented separately in the proprietary fund financial statements for the Sewer Authority Fund and the Crystal Lake Sewers Fund, both of which are considered major funds. Data from the other two enterprise funds are combined into a single, aggregated presentation. Data from the two internal service funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor enterprise and internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 23 through 26 of this report.

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

The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to the Financial Statements
The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 79 of this report.

Other Information
In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information and combining and individual fund statements and schedules that can be found on pages 80 through 150 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

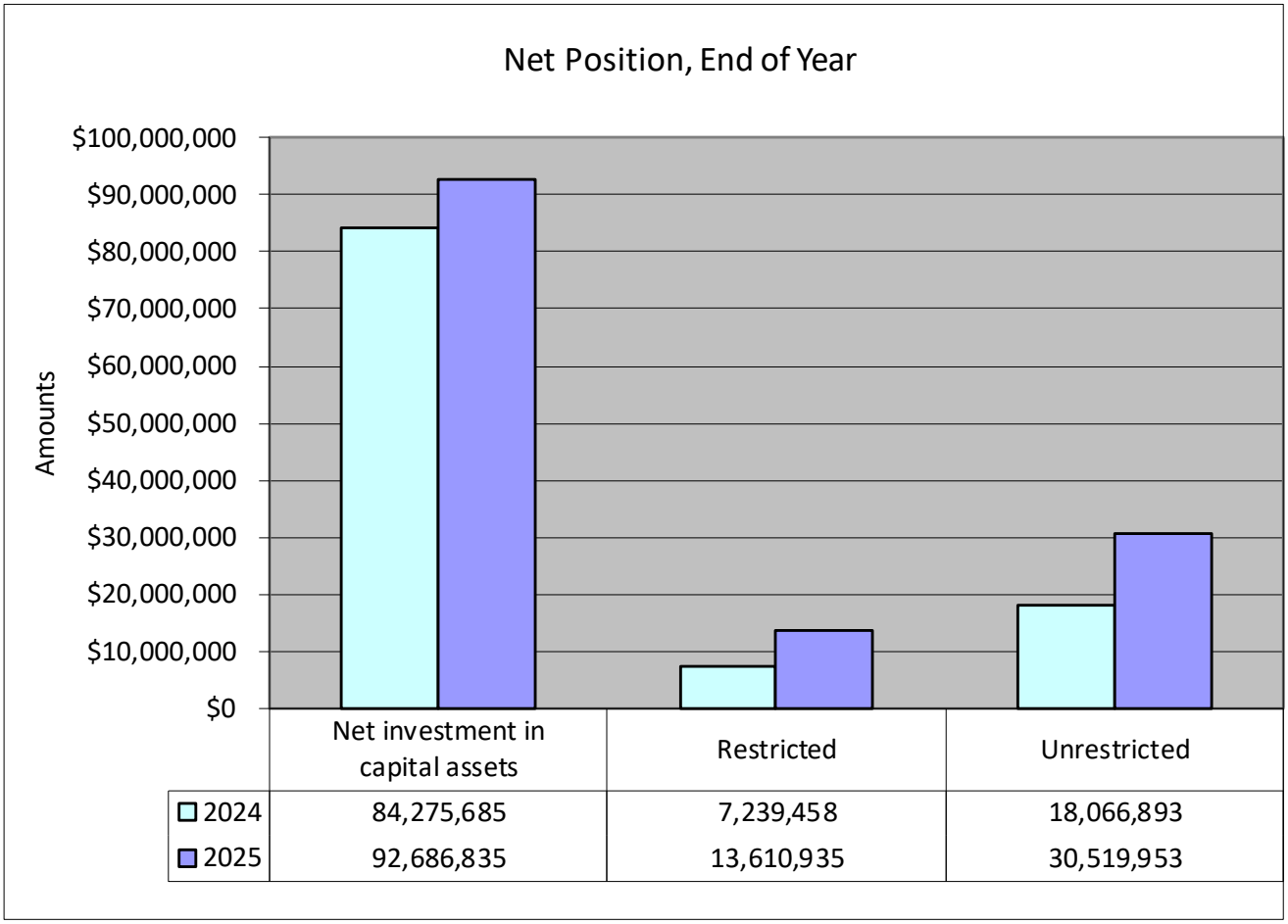
Net Position

Over time, net position may serve as one measure of a government's financial position. Total net position (governmental and business-type activities combined) of the Town totaled $136,817,723 and $109,582,36 as of June 30, 2025 and 2024, respectively, and are summarized below.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current Assets	$ 54,673,820	$ 56,461,803	$ 11,565,560	$ 11,920,151	$ 66,239,380	$ 68,381,954
Capital Assets, Net of Accumulated Depreciation	126,325,480	88,255,918	10,007,453	8,923,688	136,332,933	97,179,606
Total Assets	180,999,300	144,717,721	21,573,013	20,843,839	202,572,313	165,561,560
Deferred Outflows of Resources	3,703,894	4,734,964	-	-	3,703,894	4,734,964
Liabilities:						
Current Liabilities	33,164,102	32,318,112	1,151,325	860,460	34,315,427	33,178,572
Long-Term Liabilities Outstanding	32,446,543	25,126,137	203,547	305,824	32,650,090	25,431,961
Total Liabilities	65,610,645	57,444,249	1,354,872	1,166,284	66,965,517	58,610,533
Deferred Inflows of Resources	2,492,967	2,103,955	-	-	2,492,967	2,103,955
Net Position:						
Net Investments in Capital Assets	82,967,518	75,742,986	9,719,317	8,532,699	92,686,835	84,275,685
Restricted	13,610,935	7,239,458	-	-	13,610,935	7,239,458
Unrestricted	20,021,129	6,922,037	10,498,824	11,144,856	30,519,953	18,066,893
Total Net Position	$ 116,599,582	$ 89,904,481	$ 20,218,141	$ 19,677,555	$ 136,817,723	$ 109,582,036

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)



	Net investment in capital assets	Restricted	Unrestricted
2024	84,275,685	7,239,458	18,066,893
2025	92,686,835	13,610,935	30,519,953

Net position of the Town is reflected 67.7% in investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Net position of the Town is comprised 9.9% of which is subject to external restrictions on how they may be used and are therefore presented as restricted net position.

The remainder of the Town's net position is considered unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

Overall, net position increased by $27,235,687 in comparison to the prior year.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	$ 7,542,813	$ 6,037,053	$ 3,249,165	$ 2,894,353	$ 10,791,978	$ 8,931,406
Operating Grants and Contributions	34,224,389	27,121,835	-	-	34,224,389	27,121,835
Capital Grants and Contributions	15,950,608	7,740,086	-	-	15,950,608	7,740,086
General Revenues:						
Property Taxes	56,414,537	54,160,167	-	-	56,414,537	54,160,167
Grants not Restricted to Specific Programs	57,116	59,292	-	-	57,116	59,292
Unrestricted Investment Earnings	2,488,764	2,493,813	444,648	480,212	2,933,412	2,974,025
Miscellaneous Revenue	627,081	216,776	-	-	627,081	216,776
Total Revenues	117,305,308	97,829,022	3,693,813	3,374,565	120,999,121	101,203,587
Expenses:						
General Government	5,733,839	4,528,869	-	-	5,733,839	4,528,869
Public Safety	4,971,736	5,058,307	-	-	4,971,736	5,058,307
Public Works	6,995,823	6,724,494	-	-	6,995,823	6,724,494
Recreation	1,189,026	1,111,695	-	-	1,189,026	1,111,695
Library	2,069,218	1,368,277	-	-	2,069,218	1,368,277
Human Services	1,299,392	1,208,119	-	-	1,299,392	1,208,119
Education	67,292,689	59,996,367	-	-	67,292,689	59,996,367
Interest Expense	1,058,484	305,691	-	-	1,058,484	305,691
Sewer and Solid Waste	-	-	3,153,227	2,964,792	3,153,227	2,964,792
Total Expenses	90,610,207	80,301,819	3,153,227	2,964,792	93,763,434	83,266,611
Change in Net Position	26,695,101	17,527,203	540,586	409,773	27,235,687	17,936,976
Beginning Net Position	89,904,481	72,377,278	19,677,555	19,267,782	109,582,036	91,645,060
Ending Net Position	$ 116,599,582	$ 89,904,481	$ 20,218,141	$ 19,677,555	$ 136,817,723	$ 109,582,036

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position (Continued)

Governmental Activities
Governmental activities increased the Town's net position by $26,695,101 during fiscal year 2025, compared to a prior year increase of $17,527,203.

Overall revenues increased by $19,476,286 or 19.9% from the prior year. Revenues from operating and capital grants increased by $15,313,076 mainly due to an increase in capital grants for Windermere school construction. Revenues from charges for services increased by $1,505,760 or 24.9%. This increase was mainly due to an increase in the charges for service related to the Ambulance activities, police special duty, building department revenues, education district, and student activities, as well as the charges for service related to the education special revenue activities. Revenues from property taxes increased by $2,254,370 or 4.2%, which was driven by an overall increase in the real estate and personal property mill rate.

Overall expenses increased by $10,308,388 or 12.8% from the prior year. An increase of $7,296,322 in Education which is mainly a result of an increase year over year for the portion of the State Teachers Retirement and State Teachers Retirement OPEB expenses as well as an increase in educational operating expenditures.

Business-type Activities
Business-type activities increased the Town's net position by $540,586 during fiscal year 2025, compared to a prior year increase of $409,773.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $13,730,574, a decrease of $(9,764,815) in comparison with the prior year, as restated. Of the total governmental fund balances, $(9,519,104) constitutes unassigned fund balance, which is primarily derived from the General Fund and Windermere School Addition/Renovation Fund. The remainder of the Town's fund balance has been classified as either nonspendable, restricted, committed or assigned, and is not available for other use without authorization from the governing bodies of the Town or external parties.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

Governmental Funds (Continued)

General Fund
The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was $10,839,067, while total fund balance was $23,648,392. In addition to unassigned fund balance, the Town maintains a capital reserve pursuant to its Charter in the amount of $5,491,946. The remaining General Fund balance has been committed or assigned for various other purposes, including $582,555, which has been assigned for use in the Town's fiscal year 2026 budget.

The fund balance of the Town's General Fund increased by $4,090,381 in comparison with the prior year. This is due to increased revenues from tax collections due to increased collection efforts surrounding prior year taxes and interest outstanding, charges for services due to increased consumption, grants, and contributions due to receiving unbudgeted STEAP grant and investment earnings due to favorable market conditions.

ARPA Fund
The fund balance of the Town's ARPA Fund decreased by $(73,216) to $334,968 due to investment earnings earned in prior fiscal years being spent in fiscal year 2025.

Windermere School Addition/Renovation Fund
The fund balance of the Town's Windermere School Addition/Renovation Fund decreased by $(14,622,707) to $(18,849,424) due to ongoing construction costs that will be funded in the future through a combination of grant reimbursements and bonds.

Proprietary Funds
Unrestricted net position of the Sewer Authority Fund as of June 30, 2025 totaled $8,366,759. Unrestricted net position of the Crystal Lake Sewer Fund as of June 30, 2025 totaled $1,991,858.

GENERAL FUND BUDGETARY HIGHLIGHTS
The original budget for 2025 planned for the utilization of fund balance of $592,083. The final budget for 2025 did not include any additional appropriations. The actual net change in fund balance of the General Fund on a budgetary basis was an increase of $2,834,339. Revenues were $1,814,835 more than budgeted and expenditures were $1,019,504 less than budgeted. The Town recognized a favorable variance in tax collections as the prior year taxes, interest, and lien fees collected exceed budgeted estimates, as well as increased revenue to budget in state and federal grants due to receiving unbudgeted STEAP grant, charges for goods and services due to increase consumption, investment earnings due to market conditions and other miscellaneous revenue fluctuations. This was offset by needing less of an appropriation from fund balance than originally budgeted. Expenditures were generally under budget across all departments, most notably in Town Counsel, Police, Sanitary Landfill, Parks and Recreation, Insurance and Education. Final budgetary results also reflected continued funding of the Town's Reserve for Other Post-employment Benefits in the amount of $100,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2025 totaled $136,332,933 (net of accumulated depreciation and amortization). This investment in capital assets includes an art collection, land, property development rights, construction in progress, buildings and improvements, machinery, equipment and vehicles, right-to-use assets, and infrastructure. The total increase in the Town's investment in capital assets for the current fiscal year was $39,153,327 or 40.29%. The decrease is due to current year depreciation and amortization in the amount of $4,735,676 offset by current year net capital asset additions of $43,889,003.

Significant capital asset additions included the following:

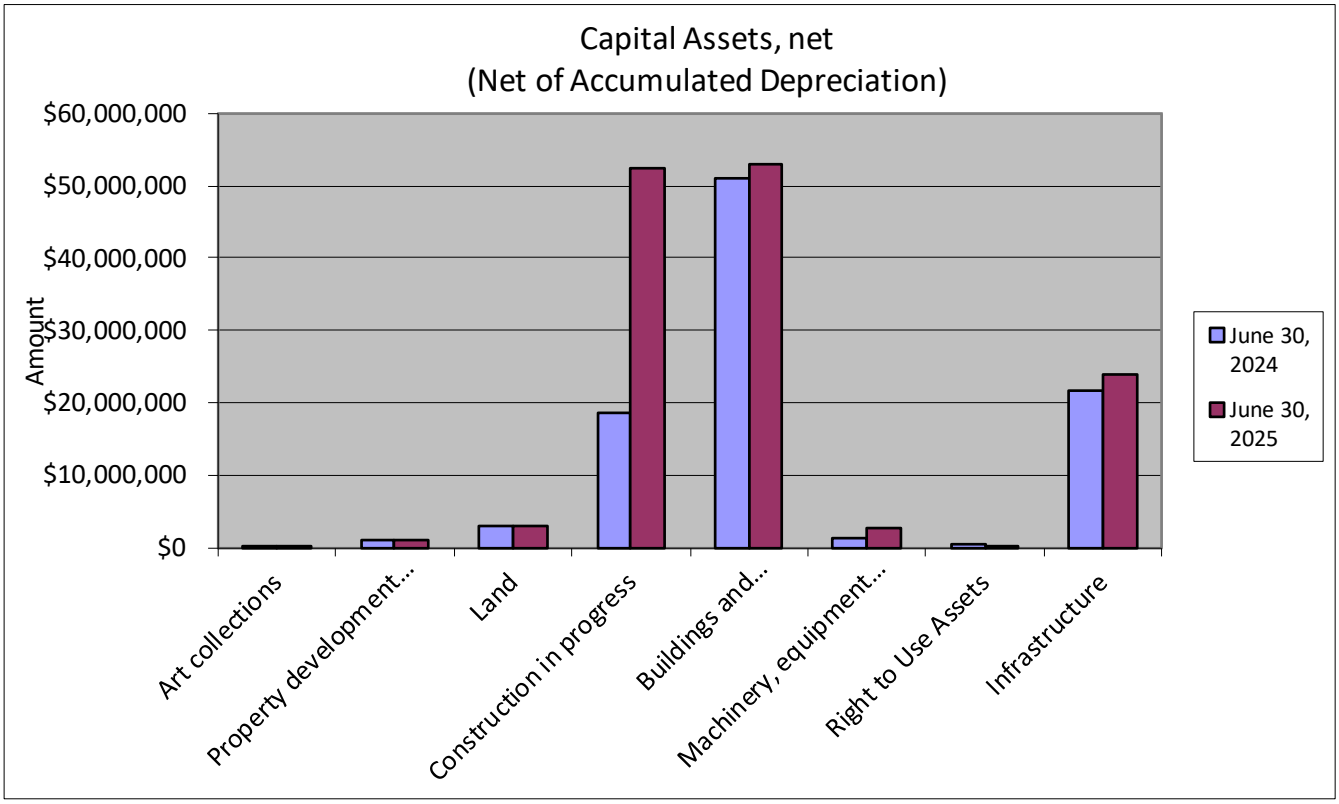
- Infrastructure improvements made to various Town roads and sidewalks;
- Construction in Progress related to Windermere School Renovation/Addition, BOE HVAC Projects and Vernon Pump Station in the amount of $37,948,709;
- Athletic Lighting $1,851,507;
- Dump Truck Replacement $249,011;
- Parking lot renovations $207,132;
- Police Carport $282,304;
- Ellington Volunteer Ambulance Corps Replacement Ambulance $258,491; and
- Crystal Lake Fire Department Pumper $844,679.

The following table is a two year comparison of the investment in capital assets presented for both governmental and business-type activities:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Art Collections	$ 35,598	$ 35,598	$ -	$ -	$ 35,598	$ 35,598
Property Development Rights	951,647	951,647	-	-	951,647	951,647
Construction in Progress	50,402,760	17,818,535	2,061,729	811,806	52,464,489	18,630,341
Land	3,056,666	3,056,666	-	-	3,056,666	3,056,666
Buildings and Improvements	52,981,278	51,056,475	-	-	52,981,278	51,056,475
Machinery, Equipment, and Vehicles	2,364,577	1,278,305	198,926	91,497	2,563,503	1,369,802
Right to Use Assets	231,825	465,532	39,807	59,710	271,632	525,242
Infrastructure	16,301,129	13,593,160	7,706,991	7,960,675	24,008,120	21,553,835
Construction in Progress					-	-
Total	$ 126,325,480	$ 88,255,918	$ 10,007,453	$ 8,923,688	$ 136,332,933	$ 97,179,606

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)



Additional information on the Town's capital assets can be found in Note 3C to the basic financial statements.

Long-Term Debt

At the end of the current fiscal year, the Town had total general obligation debt outstanding of $16,100,000. This entire amount is comprised of debt backed by the full faith and credit of the Town.

The Town's total debt increased by $5,723,852 or 54.5% due to general obligation bond issuance, offset by scheduled principal repayments.

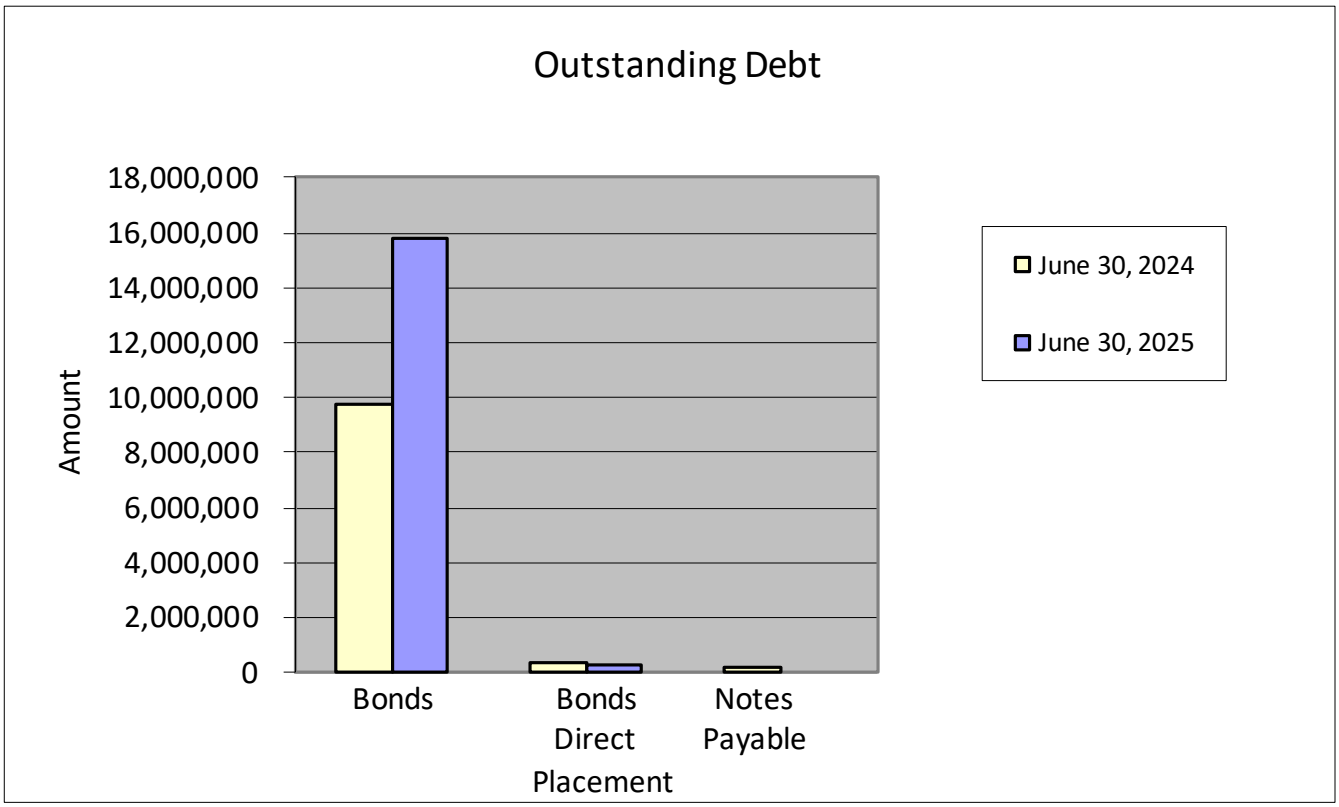
State statutes limit the amount of general obligation debt the Town may issue to approximately seven times its annual receipts from taxation, as defined by the statutes. The current debt limitation for the Town is significantly more than the Town's outstanding general obligation debt.

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Long-term Debt (Continued)

The following table is a two-year comparison of long-term debt presented for both governmental and business-type activities:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	$ 15,650,000	$ 9,475,000	$ 180,000	$ 270,000	$ 15,830,000	$ 9,745,000
General Obligation Bonds - Direct Placement	270,000	405,000	-	-	270,000	405,000
Notes Payable - Direct Placement	-	214,294	-	-	-	214,294
Total	$ 15,920,000	$ 10,094,294	$ 180,000	$ 270,000	$ 16,100,000	$ 10,364,294



Additional information on the Town's long-term debt can be found in Note 3E to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which may affect the amount of intergovernmental revenues the Town will receive in fiscal year 2026 and thereafter.

- The State imposes a cap on municipal spending to limit the budgeted expenditures to 2.5% above the previous year, or the rate of inflation, whichever is greater. The cap includes certain exemptions relating to increases in debt service, special education costs, claims, judgements, and costs incurred related to major disaster or emergency declarations. Municipalities that increase their adopted budget expenditures over the previous fiscal year by an amount that exceeds the cap may receive a reduced municipal revenue sharing grant.

- The State has established a minimum budget requirement (MBR) for budgeted education expenditures. The MBR prohibits towns from budgeting less for education than it did in the previous year unless, and within limits, the Town can demonstrate a decrease in school enrollment or savings through increased efficiencies. Any increases or decreases that the Town receives in its Education Cost Sharing grant will result in a corresponding increase or decrease in the Town's MBR.

- Inflationary trends in the region compare favorably to national indices.

- The financial implications of COVID-19 and the current economy in which costs have increased, and revenue has slightly decreased.

All of these factors were considered in preparing the Town's budget for fiscal year 2026.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Finance Officer, Town of Ellington, 55 Main Street, Ellington, CT 06029.

BASIC FINANCIAL STATEMENTS

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 35,773,979	$ 9,594,956	$ 45,368,935
Investments	1,427,713	-	1,427,713
Receivables	18,197,342	1,014,666	19,212,008
Internal Balances	(749,890)	749,890	-
Supplies	24,676	-	24,676
Assessments Receivable - Long-Term Portion	-	206,048	206,048
Capital Assets, Nondepreciable	54,446,671	2,061,729	56,508,400
Capital Assets, Net of Accumulated Depreciation/Amortization	71,878,809	7,945,724	79,824,533
Total Assets	180,999,300	21,573,013	202,572,313
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to LOSAP	414,491	-	414,491
Deferred Outflows Related to MERS	2,810,178	-	2,810,178
Deferred Outflows Related to OPEB	479,225	-	479,225
Total Deferred Outflows of Resources	3,703,894	-	3,703,894
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	8,796,461	1,012,489	9,808,950
Unearned Revenue	35,832	43,377	79,209
Due to Fiduciary Funds	50	-	50
Bond Anticipation Notes Payable	21,985,500	-	21,985,500
Noncurrent Liabilities:			
Due Within One Year	2,346,259	95,459	2,441,718
Due in More than One Year	32,446,543	203,547	32,650,090
Total Liabilities	65,610,645	1,354,872	66,965,517
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to LOSAP	233,659	-	233,659
Deferred Inflows Related to MERS	399,814	-	399,814
Deferred Inflows Related to OPEB	1,859,494	-	1,859,494
Total Deferred Inflows of Resources	2,492,967	-	2,492,967
NET POSITION			
Net Investment in Capital Assets	82,967,518	9,719,317	92,686,835
Restricted for:			
Grant Purposes	12,060,721	-	12,060,721
Employee Benefits	39,357	-	39,357
Endowments - Expendable	1,458,360	-	1,458,360
Endowments - Nonexpendable	52,497	-	52,497
Unrestricted	20,021,129	10,498,824	30,519,953
Total Net Position	$ 116,599,582	$ 20,218,141	$ 136,817,723

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Governmental Activities	Net Revenue (Expense) and Changes in Net Position: Business-Type Activities	Net Revenue (Expense) and Changes in Net Position: Total
Primary Government							
Governmental Activities:							
General Government	$ 5,733,839	$ 512,116	$ 3,291,507	641,760	$ (1,288,456)	$ -	$ (1,288,456)
Public Safety	4,971,736	1,869,588	12,499	-	(3,089,649)	-	(3,089,649)
Public Works	6,995,823	3,080	1,151,559	169,432	(5,671,752)	-	(5,671,752)
Recreation	1,189,026	235,891	-	-	(953,135)	-	(953,135)
Library	2,069,218	52	39,283	-	(2,029,883)	-	(2,029,883)
Human Services	1,299,392	82,298	231,588	-	(985,506)	-	(985,506)
Education	67,292,689	4,839,788	29,497,953	15,139,416	(17,815,532)	-	(17,815,532)
Interest and Fiscal Charges	1,058,484	-	-	-	(1,058,484)	-	(1,058,484)
Total Governmental Activities	90,610,207	7,542,813	34,224,389	15,950,608	(32,892,397)	-	(32,892,397)
Business-Type Activities:							
Sewer Authority Fund	2,777,197	2,886,957	-	-	-	109,760	109,760
Crystal Lake Sewers Fund	376,030	362,180	-	-	-	(13,850)	(13,850)
Nonmajor Enterprise Funds	-	28	-	-	-	28	28
Total Business-Type Activities	3,153,227	3,249,165	-	-	-	95,938	95,938
Total	$ 93,763,434	$ 10,791,978	$ 34,224,389	$ 15,950,608	(32,892,397)	95,938	(32,796,459)
GENERAL REVENUES							
Property Taxes:					56,414,537	-	56,414,537
Grants and Contributions not Restricted to Specific Programs					57,116	-	57,116
Unrestricted Investment Earnings					2,488,764	444,648	2,933,412
Miscellaneous					627,081	-	627,081
Total General Revenues					59,587,498	444,648	60,032,146
CHANGE IN NET POSITION					26,695,101	540,586	27,235,687
Net Position - Beginning of Year					89,904,481	19,677,555	109,582,036
NET POSITION - END OF YEAR					$ 116,599,582	$ 20,218,141	$ 136,817,723

TOWN OF ELLINGTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	ARPA Fund	Education Grants Fund	Windermere School Addition/ Renovation Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 28,692,808	$ 73,294	$ 10	$ 780,232	$ 5,738,950	$ 35,285,294
Investments	-	-	-	-	1,427,713	1,427,713
Receivables, Net	954,524	-	-	12,652,318	4,457,240	18,064,082
Due from Other Funds	-	264,174	19,418	956,038	1,590,155	2,829,785
Supplies	-	-	-	-	24,676	24,676
Total Assets	$ 29,647,332	$ 337,468	$ 19,428	$ 14,388,588	$ 13,238,734	$ 57,631,550
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	$ 2,528,840	$ 2,500	$ -	$ 4,069,052	$ 1,562,688	$ 8,163,080
Bond Anticipation Notes Payables	-	-	-	21,745,000	-	21,745,000
Premium on Bond Anticipation Notes Payable	-	-	-	240,500	-	240,500
Due to Other Funds	2,862,200	-	-	-	2,893,119	5,755,319
Unearned Revenue	-	-	19,428	-	16,404	35,832
Total Liabilities	5,391,040	2,500	19,428	26,054,552	4,472,211	35,939,731
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	607,900	-	-	-	-	607,900
Unavailable Revenue - Grants	-	-	-	7,183,460	169,885	7,353,345
Total Deferred Inflows of Resources	607,900	-	-	7,183,460	169,885	7,961,245
FUND BALANCES						
Nonspendable	-	-	-	-	77,173	77,173
Restricted	-	334,968	-	-	5,870,125	6,205,093
Committed	11,683,407	-	-	-	4,158,087	15,841,494
Assigned	1,125,918	-	-	-	-	1,125,918
Unassigned	10,839,067	-	-	(18,849,424)	(1,508,747)	(9,519,104)
Total Fund Balances	23,648,392	334,968	-	(18,849,424)	8,596,638	13,730,574
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 29,647,332	$ 337,468	$ 19,428	$ 14,388,588	$ 13,238,734	$ 57,631,550

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2025

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

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:		
Fund Balances - Total Governmental Funds (Exhibit III)		$ 13,730,574
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental Capital Assets	$ 202,021,787	
Less: Accumulated Depreciation	(75,696,307)	
Net Capital Assets		126,325,480
Other long-term assets and deferred outflows of resources are not available to pay for current period expenditures and, therefore, are deferred in the funds:		
Property Tax Receivables Greater than 60 Days		607,900
Interest Receivable on Property Taxes		96,060
Grant Receivable Greater than 60 Days		7,353,345
Deferred Outflows Related to MERS		2,810,178
Deferred Outflows Related to LOSAP		414,491
Deferred Outflows Related to OPEB		479,225
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.		2,195,316
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds Payable		(15,920,000)
Unamortized Premium on Bonds Payable		(963,161)
Lease Liability		(243,260)
Interest Payable on Bonds		(127,218)
Commitments and Contingencies		(2,218,932)
Total OPEB Liability		(4,080,424)
Compensated Absences		(1,148,190)
Net MERS Liability		(9,321,288)
Net LOSAP Liability		(897,547)
Deferred Inflows Related to MERS		(399,814)
Deferred Inflows Related to LOSAP		(233,659)
Deferred Inflows Related to OPEB		(1,859,494)
Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)		$ 116,599,582

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General Fund	ARPA Fund	Education Grants Fund	Windermere School Addition/ Renovation Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes, Interest, and Lien Fees	$ 56,260,296	$ -	$ -	$ -	$ -	$ 56,260,296
Intergovernmental Revenues	20,811,159	3,165,382	1,061,188	14,232,500	3,096,593	42,366,822
Charges for Services	1,993,272	-	-	-	5,693,687	7,686,959
Investment Earnings	1,680,592	-	-	572,734	235,438	2,488,764
Other Revenues	146,597	-	-	103,550	434,050	684,197
Total Revenues	80,891,916	3,165,382	1,061,188	14,908,784	9,459,768	109,487,038
EXPENDITURES						
Current:						
General Government	2,225,137	601,783	-	-	690,743	3,517,663
Boards and Agencies	131,169	-	-	-	-	131,169
Public Safety	3,665,312	1,027,060	-	-	107,815	4,800,187
Public Works	5,408,965	1,503,755	-	-	-	6,912,720
Recreation	787,041	-	-	-	-	787,041
Library	765,698	-	-	-	62,516	828,214
Human Services	892,593	-	-	-	167,924	1,060,517
Town Properties	810,788	-	-	-	-	810,788
Education	54,901,767	106,000	1,061,188	-	6,411,134	62,480,089
Other	3,533,151	-	-	-	-	3,533,151
Debt Service:						
Principal Payments	1,509,054	-	-	-	-	1,509,054
Interest and Fiscal Charges	1,059,990	-	-	11,667	8,983	1,080,640
Capital Outlay	1,900,870	-	-	34,777,905	2,736,081	39,414,856
Total Expenditures	77,591,535	3,238,598	1,061,188	34,789,572	10,185,196	126,866,089
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,300,381	(73,216)	-	(19,880,788)	(725,428)	(17,379,051)
OTHER FINANCING SOURCES (USES)						
Bonds Issued	-	-	-	3,955,000	3,045,000	7,000,000
Premium on Bonds Issued	-	-	-	347,043	267,193	614,236
Transfers In from Other Funds	888,000	-	-	956,038	98,000	1,942,038
Transfers Out to Other Funds	(98,000)	-	-	-	(1,844,038)	(1,942,038)
Total Other Financing Sources (Uses)	790,000	-	-	5,258,081	1,566,155	7,614,236
NET CHANGE IN FUND BALANCES	4,090,381	(73,216)	-	(14,622,707)	840,727	(9,764,815)
Fund Balances - Beginning of Year, As Originally Reported	19,558,011	408,184	-	(4,226,717)	8,542,744	24,282,222
Restatement	-	-	-	-	(786,833)	(786,833)
Net Position - Beginning, As Restated	19,558,011	408,184	-	(4,226,717)	7,755,911	23,495,389
FUND BALANCES - END OF YEAR	$ 23,648,392	$ 334,968	$ -	$ (18,849,424)	$ 8,596,638	$ 13,730,574

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2025

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

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV)	$	(9,764,815)
Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital Outlay		42,355,043
Depreciation and Amortization Expense		(4,285,481)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Property Taxes Collected after 60 Days		128,403
Change in Interest Receivable on Property Taxes		25,838
Grants Collected after 60 Days		6,312,615
Deferred Outflows Related to MERS		(647,419)
Deferred Outflows Related to LOSAP		(55,944)
Deferred Outflows Related to OPEB		(327,707)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Bonds Issuance		(7,000,000)
Premium on Bond Issuance		(614,236)
Commitment and Contingency		(2,218,932)
Principal Payments on Bonds Payable		960,000
Principal Payments on Notes Payable		214,294
Principal Payments on Leases		239,666
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Amortization of Premium		102,584
Accrued Interest		(80,428)
Change in Total OPEB Liability		840,645
Change in Long-Term Compensated Absences		(11,882)
Change in Net Pension Liability - MERS Plans		351,016
Change in Net Pension Liability - LOSAP Plan		(51,111)
Deferred Inflows Related to MERS Plans		96,507
Deferred Inflows Related to LOSAP Plan		12,384
Deferred Inflows Related to OPEB		(497,903)
Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.		611,964
Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II)	$	26,695,101

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 8,181,064	$ 1,413,892	$ -	$ 9,594,956	$ 488,685
Receivables, Net	855,254	159,412	-	1,014,666	37,200
Due from Other Funds	212,518	435,348	211,565	859,431	2,175,594
Total Current Assets	9,248,836	2,008,652	211,565	11,469,053	2,701,479
Noncurrent Assets:					
Assessments Receivable	167,865	-	38,183	206,048	-
Capital Assets, Nondepreciable	2,061,729	-	-	2,061,729	-
Capital Assets, Net of Accumulated Depreciation and Amortization	5,441,799	2,503,925	-	7,945,724	-
Total Noncurrent Assets	7,671,393	2,503,925	38,183	10,213,501	-
Total Assets	$ 16,920,229	$ 4,512,577	$ 249,748	$ 21,682,554	$ 2,701,479
LIABILITIES					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	$ 997,869	$ 14,620	$ -	$ 1,012,489	$ -
Claims Payable	-	-	-	-	506,163
Compensated Absences - Current	172	43	-	215	-
Lease Liability - Current	5,244	-	-	5,244	-
Bonds Payable - Current	90,000	-	-	90,000	-
Due to Other Funds	-	-	109,541	109,541	-
Unearned Revenue	43,377	-	-	43,377	-
Total Current Liabilities	1,136,662	14,663	109,541	1,260,866	506,163
Noncurrent Liabilities:					
Compensated Absences after One Year	8,524	2,131		10,655	-
Lease Liability after One Year	96,527	-	-	96,527	-
Bonds Payable after One Year	96,365	-	-	96,365	-
Total Noncurrent Liabilities	201,416	2,131	-	203,547	-
Total Liabilities	1,338,078	16,794	109,541	1,464,413	506,163
NET POSITION					
Net Investment in Capital Assets	7,215,392	2,503,925	-	9,719,317	-
Unrestricted	8,366,759	1,991,858	140,207	10,498,824	2,195,316
Total Net Position	$ 15,582,151	$ 4,495,783	$ 140,207	$ 20,218,141	$ 2,195,316

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
User Charges	$ 2,776,034	$ 330,124	$ -	$ 3,106,158	$ -
Assessments	64,638	-	-	64,638	-
Permits and Fees	5,100	-	-	5,100	-
Solid Waste Fees	-	-	28	28	-
Charges For Services	-	-	-	-	7,446,545
Other	41,185	32,056	-	73,241	-
Total Operating Revenues	2,886,957	362,180	28	3,249,165	7,446,545
OPERATING EXPENSES					
Town of Vernon Fees	1,870,267	-	-	1,870,267	-
Town of Stafford Fees	-	108,899	-	108,899	-
Depreciation and Amortization	309,924	140,271	-	450,195	-
Salaries and Benefits	269,822	70,536	-	340,358	-
Utilities	34,432	19,354	-	53,786	-
Equipment	41,045	10,417	-	51,462	-
Administration	33,701	3,744	-	37,445	-
Engineering	29,126	10,000	-	39,126	-
Repairs and Maintenance	154,161	6,314	-	160,475	-
Claims	-	-	-	-	6,834,581
Other	29,736	6,495	-	36,231	-
Total Operating Expenses	2,772,214	376,030	-	3,148,244	6,834,581
OPERATING INCOME (LOSS)	114,743	(13,850)	28	100,921	611,964
NONOPERATING REVENUES (EXPENSES)					
Income on Investments	379,126	65,522	-	444,648	-
Interest Expense and premium amortization	(4,983)	-	-	(4,983)	-
Total Nonoperating Revenues (Expenses)	374,143	65,522	-	439,665	-
CHANGE IN NET POSITION	488,886	51,672	28	540,586	611,964
Net Position - Beginning of Year	15,093,265	4,444,111	140,179	19,677,555	1,583,352
NET POSITION - END OF YEAR	$ 15,582,151	$ 4,495,783	$ 140,207	$ 20,218,141	$ 2,195,316

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	$ 2,850,845	$ 346,714	$ 579	$ 3,198,138	$ 7,446,410
Payments to Suppliers	(1,868,367)	(186,776)	-	(2,055,143)	(6,829,266)
Payments to Employees	(269,023)	(70,336)	-	(339,359)	-
Receipts (Payments) for Interfund Services Used	940,448	(89,602)	(579)	850,267	(418,296)
Net Cash Provided by Operating Activities	1,653,903	-	-	1,653,903	198,848
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Additions to Capital Assets	(1,533,960)	-	-	(1,533,960)	-
Interest Paid	(25,045)	-	-	(25,045)	-
Principal Paid on Leases	(4,897)	-	-	(4,897)	-
Principal Paid on Bonds Outstanding	(90,000)	-	-	(90,000)	-
Net Cash Used by Capital and Related Financing Activities	(1,653,902)	-	-	(1,653,902)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Income on Investments	379,126	65,522	-	444,648	-
Net Cash Provided by Investing Activities	379,126	65,522	-	444,648	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	379,127	65,522	-	444,649	198,848
Cash and Cash Equivalents - Beginning of Year	7,801,937	1,348,370	-	9,150,307	289,837
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 8,181,064	$ 1,413,892	$ -	$ 9,594,956	$ 488,685

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND (CONTINUED)
YEAR ENDED JUNE 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 114,743	$ (13,850)	$ 28	$ 100,921	$ 611,964
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation and Amortization	309,924	140,271	-	450,195	-
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable, Net	(36,112)	(15,466)	551	(51,027)	(135)
Decrease in Due from Other Funds	-	-	(579)	(579)	-
Increase (Decrease) in Accounts Payable and Accrued Items	324,101	(21,553)	-	302,548	-
Increase (Decrease) in Compensated Absences	799	200	-	999	-
(Increase) Decrease in Due from Other Funds	940,448	(89,602)	-	850,846	(418,296)
Increase (Decrease) in Claims Payable	-	-	-	-	5,315
Total Adjustments	1,539,160	13,850	(28)	1,552,982	(413,116)
Net Cash Provided by Operating Activities	$ 1,653,903	$ -	$ -	$ 1,653,903	$ 198,848

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Pension Trust Fund (July 31, 2024)	Private Purpose Trust Funds
ASSETS		
Cash and Cash Equivalents	$ 2,899	$ 77,328
Investments:		
Insurance Contracts	1,347,434	-
Receivables:		
Due from Other Funds	-	50
Total Assets	1,350,333	77,378
LIABILITIES		
Accounts Payable	-	416
Total Liabilities	-	416
NET POSITION		
Restricted for Pension Benefits and Trust Purposes	$ 1,350,333	$ 76,962

See accompanying Notes to Financial Statements.

TOWN OF ELLINGTON, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Pension Trust Fund (July 31, 2024)	Private Purpose Trust Funds
ADDITIONS:		
Contributions:		
Private	$ -	$ 20,370
Total Contributions	-	20,370
Investment Income:		
Interest	44,640	4,076
Total Additions	44,640	24,446
DEDUCTIONS:		
Benefits	102,676	24,123
Total Deductions	102,676	24,123
CHANGE IN NET POSITION	(58,036)	323
Net Position - Beginning of Year	1,408,369	76,639
NET POSITION - END OF YEAR	$ 1,350,333	$ 76,962

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Ellington, Connecticut (the Town) was incorporated in 1786. It operates under an elected, seven-member Board of Selectmen and an elected, six-member Board of Finance form of government and provides the following services: public safety (police, ambulance, and fire), public works, recreation, library, human services, education and general government.

The legislative power of the Town is vested with the Board of Selectmen and Town Meeting. The Board of Selectmen may enact, amend, or repeal ordinances and resolutions. The Board of Finance is responsible for financial, and taxation matters as prescribed by Connecticut General Statutes, including presenting fiscal operating budgets for Town Meeting approval.

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

Fiduciary Component Unit

The Town has established a single-employed Length of Service Award Program (LOSAP) to provide retirement benefits to active volunteer firefighters of the Crystal Lake Fire Department, the Ellington Ambulance, and the Ellington Fire Department. The Town appoints a majority of the Pension Board and is required to make contributions to the pension plan and can impose its will.

The financial statements of the fiduciary component unit are reported as a Pension Trust fund in the fiduciary fund financial statements as of July 31, 2024 which is the plans year end. Separate financial statements have not been prepared for the fiduciary component unit.

Related Organizations

The Board of Selectmen is responsible for appointing members to the Board of the Housing Authority of the Town of Ellington, but the Town's accountability for the Housing Authority does not extend beyond making the appointments.

The Board of Selectmen is also responsible for appointing a Board member to the Town's regional group for public health, the North Central District Health Department, but the Town's accountability for the Health Department does not extend beyond making the appointment.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

The financial statements of the Town have been prepared in conformity with GAAP as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town's primary government. For the most part, the effect of interfund activity has been eliminated within these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

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

For this purpose, the Town considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal period, and grant revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

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

The Town reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *ARPA Fund* accounts for the American Rescue Plan Act of 2021 grant.
- The *Education Grants Fund* accounts for Federal and State Education grants revenues and expenditures.
- The *Windermere School Addition/Renovation Fund* accounts for the addition and renovation of the Windemere School.

The Town reports the following major enterprise funds:

- The *Sewer Authority Fund* accounts for all sewer use activities and assessments in the Hockanum River section of the Town.
- The *Crystal Lake Sewers Fund* accounts for all sewer use activities and assessments in the Crystal Lake section of the Town.

Additionally, the Town reports the following fund types:

- The *Internal Service Funds* are used to account for the Board of Education's self-insured medical and dental programs.
- The *Pension Trust Fund* is used to account for resources held in trust for participants in the Town's volunteer firefighters' LOSAP.
- The *Private Purpose Trust Funds* are used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

C. Cash and Cash Equivalents

The Town's cash and cash equivalents consist of all cash on hand, checking, savings, money market accounts, and certificates of deposit with an original maturity of 90 days or less.

D. Investments

Investments are stated at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Supplies and Prepaid Items

All supplies are valued at cost using the first-in/first-out (FIFO) method. Supplies of donated commodities are stated at fair market value. Supplies of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

F. Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

The Town provides low interest loans in connection with the Town’s small business and residential housing rehabilitation loan programs. Loans made by the Town under the program bear an interest rate of 0% and repayment of the loans is deferred. These loans become due and payable only upon sale or transfer of the property, the owner’s demise, or when the subject property is no longer the applicant’s principal place of residence. The Town records loans receivable at the time the loan proceeds are advanced, and such amounts are reported net of an allowance for uncollectible amounts.

G. Capital Assets

Capital assets, which include arts collection, property development rights, land, construction in progress, buildings and improvements, equipment, vehicles, right-to-use leased equipment, and infrastructure assets, (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, equipment, and infrastructure of the Town is depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	50 Years
Building and Improvements	40 Years
Vehicles	5 to 10 Years
Equipment	3 to 7 Years

H. Deferred Outflows/Inflows of Resources

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

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 assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources for pension and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience and changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

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

J. Net Pension Liability

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

K. Total Other Postemployment Benefits Other than Pensions Liability

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

L. Long-Term Obligations

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Long-Term Obligations (Continued)

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

M. Leases

The Town determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statement of net position.

Lease assets represent the Town's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the Town's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the lease term.

The lease term may include options to extend the lease when it is reasonably certain that the Town will exercise that option.

The Town has recognized payments for short-term leases with a lease term of 12 months or less as an expense as incurred, and as such are not included as lease liabilities or right-to-use lease assets on the statement of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Town has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The Town accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the Town treats the components as a single lease unit.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Equity

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of amounts that do not meet the definition of "restricted" or "net investment in capital assets."

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

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

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

Committed – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Ellington Board of Finance). Amounts remain committed until action is taken by the Board of Finance (resolution) to remove or revise the limitations.

Assigned – This includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance that has been delegated authority to assign amounts by the Town Charter.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Property Taxes

Property taxes are assessed annually as of October 1 and are levied on the following July 1. Real estate and personal property taxes are due in two installments, July 1 and the following January 1. Motor vehicle taxes are payable annually on July 1 and supplemental motor vehicle taxes are payable on January 1. Interest at the rate of 1.5% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value. A lien is placed on the property if real estate taxes are unpaid as of May 15 following the payable date. The Town establishes an allowance for doubtful accounts based on historical collections, experience, and other factors.

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 to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected as a deferred inflow in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years' assessment are reflected as a deferred inflow in both the fund financial statements and the government-wide financial statements.

P. Sewer Use Charges and Assessments

User charges and assessments are due and payable within thirty days, and delinquent amounts are subject to interest at prevailing rates. Upon completion of sewer projects, sewer assessments are levied and assessed to the users. The Town establishes an allowance for doubtful accounts based on historical collections, experience and other factors.

Q. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The budget is adopted via Town Meeting. The Town adhered to the following procedures in establishing the budgetary data included in the General Fund financial statements:

- The Board of Finance submits a proposed operating budget for the fiscal year commencing July 1 to a public budget hearing, at which taxpayer comments are obtained. The Board of Finance then prepares the recommended Town budget, which it presents at the annual Town Meeting held on the second Tuesday in May. The operating budget includes proposed expenditures and the means of financing them.

- Expenditures are budgeted by function, department and object. Management may not exceed appropriations at the department level and must seek approval from the Board of Finance to reassign resources within a department, except for the Board of Education. The Board of Education may reassign resources within its department without seeking Board of Finance approval.

- The legal level of budgetary control (the level at which expenditures may not exceed appropriations) is the department level. The Board of Finance is authorized to transfer budgeted amounts within and between departments and objects during the last three months of the fiscal year.

- Additional appropriations of less than one half of one percent of the total annual budget must be approved by the Board of Finance and Board of Selectmen. Appropriations in excess of one half of one percent of the total annual budget must be approved at a Town Meeting. During the year, the Board of Finance and Board of Selectmen, where required, Town Meeting(s), approved additional appropriations of $216,632.

- Formal budgetary integration is employed as a management control device during the year.

- The budget is prepared on the modified accrual basis of accounting. Intergovernmental and other reimbursement for certain special education costs are recorded as reductions to expenditures for budgetary purposes, and “on-behalf” payments made by the state of Connecticut into the State Teachers’ Retirement System are not recorded for budgetary purposes.

- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year.

- All unexpended appropriations lapse at year-end, except capital projects.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Deficit Fund Equity

For the year ended June 30, 2025, the following funds had deficit balances:

Windermere School Addition/Renovation Fund	$ 18,849,424
Nonmajor Governmental Funds:	
Special Revenue Fund:	
Small Cities Regular Rehabilitation 17 Fund	111,637
State Grants Miscellaneous Projects Fund	56,704
BOE HVAC EHS Fund	785,769
BOE HVAC Center Fund	218,826
BOE HVAC EMS Fund	451,991
Town Land Preservation Fund	1,724
Strawberry Road Bridge Fund	34,240
Nonmajor Enterprise Funds:	
Watermains Tripp and Middle Roads	71,358

These amounts will be funded through bonds, grant reimbursements, contributions, and future revenues.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents, and Investments

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

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

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

Deposits

Based on the criteria described in the GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, $5,564,478 of the Town's bank balance of $6,192,685 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	$	4,958,030
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name		606,448
Total Amount Subject to Custodial Risk	$	5,564,478

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, 2025, the Town's cash equivalents amounted to $40,164,370. The following table provides the balance of the Town's cash equivalents at June 30, 2025 and details of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

Cash Equivalents		
STIF	$	40,062,728
M&T Bank		94,307
Flushing Bank		7,335
Total	$	40,164,370

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Investments

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

		Investment Maturities (Years)		
Investment Type	Value	Less than 1	1 - 10	More than 10
Interest-Bearing Investments:				
U.S. Government Securities	$ 72,502	$ -	$ 72,502	$ -
Corporate Bonds	205,277	-	205,277	-
Total	277,779	$ -	$ 277,779	$ -
Other Investments:				
Mutual Funds	795,476			
Common Stock	354,458			
Insurance Contracts	1,347,434			
Total Investments	$ 2,775,147			

Investment Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Town's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Town's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Town's name.

Credit Risk

The Town has no investment policy that would limit its investment choices due to credit risk other than state statutes governing investments in obligations of any state or political subdivision or in obligations of the state of Connecticut or political subdivision.

Average Rating	Bonds Bonds	U.S. Government Securities
Aaa	$ 19,535	$ -
Aa1	-	72,502
Aa3	13,199	-
A1	53,296	-
A2	70,940	-
A3	29,630	-
Baa2	18,677	-
Total	$ 205,277	$ 72,502

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Concentration of Credit Risk

The Town places no limit on the amount invested in any one issuer. As of June 30, 2025, 100% of the investments of the Volunteer Firefighters' Length of Service Award Program (LOSAP) were invested in an insurance contract held with First Security Benefit Life Insurance and American National Insurance Company. Fully guaranteed insurance contracts totaled $1,347,434.

Interest Rate Risk

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

The Pension Trust Fund is also authorized to invest in corporate bonds, domestic common stocks, domestic equity real estate and international equities. The investments of this fund are held in trust by a trustee bank, which executes investment transactions under the direction of the pension plan's investment manager.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements).

The Town has the following recurring fair value measurements as of June 30, 2025:

	June 30, 2025	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	$ 72,502	$ 72,502	$ -	$ -
Corporate Bonds	205,277	-	205,277	-
Common Stock	354,458	354,458	-	-
Mutual Funds	795,476	795,476	-	-
Total Investments by Fair Value Level	1,427,713	$ 1,222,436	$ 205,277	$ -
Investments not Recorded at Fair Value:				
Insurance Contracts	1,347,434			
Total Investments	$ 2,775,147			

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash, Cash Equivalents, and Investments (Continued)

Fair Value (Continued)

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The insurance contract is valued at cost.

Donor-Restricted Endowments

The original principal received remains in the net position on the statement of net position and is restricted for the trust principal, and in nonspendable fund balance on the balance sheet - governmental funds. The net appreciation on investments available for expenditures is included in Unrestricted Net Position on the statement of net position, and in Committed Fund Balance on the balance sheet - governmental funds, and is spent based on the original criteria established by the trust. The Town's policy is to spend only investment income for the purposes of the trust.

The Town has interpreted the Connecticut Prudent Management of Institutional Funds Act (CTPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Town classifies as nonspendable fund balance (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in nonspendable fund balance is classified as committed fund balance until those amounts are appropriated for expenditure by the Town in a manner consistent with the standard of prudence prescribed by CTPMIFA. In accordance with CTPMIFA, the Town considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the fund; the purposes of the organization and the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the Town; the investment policies of the Town.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables

Receivables by type at year-end for the Town's governmental and enterprise fund financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Education Grants Fund	Windermere School Addition/ Renovation Fund	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor and Other Funds	Total
Property Taxes Receivable	$ 724,318	$ -	$ -	$ -	$ -	$ -	$ 724,318
Sewer Usage	-	-	-	754,362	99,442	-	853,804
Assessments	-	-	-	75,818	53,775	-	129,593
Solid Waste	-	-	-	-	-	4,556	4,556
Grants and Contracts	312	-	12,652,318	-	-	1,815,389	14,468,019
Loans	-	-	-	-	-	2,444,639	2,444,639
Other	259,234	-	-	30,369	7,332	234,412	531,347
Less: Allowance for Uncollectible Accounts	(29,340)	-	-	(5,295)	(1,137)	(4,556)	(40,328)
Net Accounts Receivable	$ 954,524	$ -	$ 12,652,318	$ 855,254	$ 159,412	$ 4,494,440	$ 19,115,948

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Arts Collection	$ 35,598	$ -	$ -	$ 35,598
Construction in Progress *	17,818,535	36,698,786	4,114,561	50,402,760
Property Development Rights	951,647	-	-	951,647
Land	3,056,666	-	-	3,056,666
Total Capital Assets Not Being Depreciated	21,862,446	36,698,786	4,114,561	54,446,671
Capital Assets Being Depreciated:				
Buildings and Improvements	106,272,456	4,931,181	-	111,203,637
Machinery, Equipment, and Vehicles	12,740,779	1,704,716	1,636,824	12,808,671
Right-to-Use - Leased Equipment	1,070,223	-	270,561	799,662
Infrastructure	19,628,225	3,134,921	-	22,763,146
Total Capital Assets Being Depreciated	139,711,683	9,770,818	1,907,385	147,575,116
Less Accumulated Depreciation for:				
Buildings and Improvements	55,215,981	3,006,378	-	58,222,359
Machinery, Equipment, and Vehicles	11,462,474	618,444	1,636,824	10,444,094
Right-to-Use - Leased Equipment	604,691	233,707	270,561	567,837
Infrastructure	6,035,065	426,952	-	6,462,017
Total Accumulated Depreciation	73,318,211	4,285,481	1,907,385	75,696,307
Total Capital Assets Being Depreciated, Net	66,393,472	5,485,337	-	71,878,809
Governmental Activities Capital Assets, Net	$ 88,255,918	$ 42,184,123	$ 4,114,561	$ 126,325,480

* As restated

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Construction in Progress	$ 811,806	$ 1,249,923	$ -	$ 2,061,729
Capital Assets Being Depreciated:				
Equipment - Sewer Authority	295,856	131,935	-	427,791
Infrastructure - Sewer Authority	13,469,101	152,102	-	13,621,203
Right-to-Use - Leased Equipment	119,419	-	-	119,419
Infrastructure - Watermains	162,015	-	-	162,015
Equipment - Crystal Lake	24,993	-	-	24,993
Infrastructure - Crystal Lake	6,996,685	-	-	6,996,685
Total Capital Assets Being Depreciated	21,068,069	284,037	-	21,352,106
Less Accumulated Depreciation for:				
Equipment - Sewer Authority	207,060	24,168	-	231,228
Infrastructure - Sewer Authority	8,149,921	265,853	-	8,415,774
Right-to-Use - Leased Equipment	59,709	19,903	-	79,612
Infrastructure - Watermains	162,015	-	-	162,015
Equipment - Crystal Lake	22,292	338	-	22,630
Infrastructure - Crystal Lake	4,355,190	139,933	-	4,495,123
Total Accumulated Depreciation	12,956,187	450,195	-	13,406,382
Total Capital Assets Being Depreciated, Net	8,111,882	(166,158)	-	7,945,724
Business-Type Activities Capital Assets, Net	$ 8,923,688	$ 1,083,765	$ -	$ 10,007,453

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental Activities:	
General Government	$ 943,187
Public Safety	668,611
Public Works	734,279
Library	24,981
Education	1,914,423
Total Depreciation Expense - Governmental Activities	$ 4,285,481
Business-Type Activities:	
Sewer	$ 450,195
Total Depreciation Expense - Business-Type Activities	$ 450,195

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

The government has the following contract commitments as of June 30, 2025:

Project	Contract	Expenditures and Encumbrances	Unexpended Balance
Windermere	$ 64,261,046	$ 43,552,269	$ 20,708,777
BOE HVAC - EHS	3,678,657	792,907	2,885,750
BOE HVAC - Center	1,161,200	202,675	958,525
BOE HVAC - EMS	1,817,343	438,241	1,379,102
Vernon Pump Station	3,001,035	2,981,645	19,390

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental Funds	Nonmajor Governmental Funds	$ 1,480,614
	Nonmajor Enterprise Fund	109,541
		1,590,155
Windermere School Addition/ Renovation Fund	Nonmajor Governmental Funds	956,038
ARPA Fund	General Fund	264,174
Education Grants Fund	General Fund	19,418
Sewer Authority Fund	General Fund	212,518
Crystal Lake Sewers Fund	General Fund	435,348
Private Purpose Trust Funds	General Fund	50
Nonmajor Enterprise Fund	General Fund	211,565
Internal Service Fund	General Fund	1,719,127
	Nonmajor Governmental Funds	456,467
		2,175,594
Total		$ 5,864,860

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

The outstanding balances between funds result mainly from the timing between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

	Transfers In			
	General Fund	Windermere School Additions/ Renovations Fund	Nonmajor Governmental Funds	Total Transfers Out
Transfers Out:				
General Fund	$ -	$ -	$ 98,000	$ 98,000
Nonmajor Governmental Funds	888,000	956,038	-	1,844,038
Total Transfers In	$ 888,000	$ 956,038	$ 98,000	$ 1,942,038

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	$ 9,475,000	$ 7,000,000	$ 825,000	$ 15,650,000	$ 1,175,000
General Obligation Bonds - Direct Placement	405,000	-	135,000	270,000	135,000
Unamortized Premium	451,509	614,236	102,584	963,161	-
Total Bonds Payable	10,331,509	7,614,236	1,062,584	16,883,161	1,310,000
Notes Payable - Direct Placement	214,294	-	214,294	-	-
Lease Liability	482,926	-	239,666	243,260	183,111
Compensated Absences	1,136,308	11,882	-	1,148,190	639,038
Commitments and Contingencies	-	2,218,932	-	2,218,932	-
Net Pension Liability - LOSAP	846,436	51,111	-	897,547	-
Net Pension Liability - MERS	9,672,304	-	351,016	9,321,288	-
Total OPEB Liability	4,921,069	-	840,645	4,080,424	214,110
Total Governmental Activities Long-Term Liabilities	$ 27,604,846	$ 9,896,161	$ 2,708,205	$ 34,792,802	$ 2,346,259

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Changes in Long-Term Liabilities (Continued)

For the governmental activities, compensated absences, net pension liability, and total OPEB liability are generally liquidated by the General Fund:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-Type Activities:					
Bonds Payable:					
General Obligation Bonds	$ 270,000	$ -	$ 90,000	$ 180,000	$ 90,000
Premium on Bonds	14,322	-	7,956	6,366	-
Subtotal	284,322	-	97,956	186,366	90,000
Compensated Absences	9,871	999	-	10,870	215
Lease Liability	106,667	-	4,897	101,770	5,244
	116,538	999	4,897	112,640	5,459
Total Business-Type Activities Long-Term Liabilities	$ 400,860	$ 999	$ 102,853	$ 299,006	$ 95,459

General obligation bonds currently outstanding are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2025
Governmental Activities:					
General Obligation	2015	6/15/35	2-4.0%	$ 10,630,000	$ 5,300,000
General Obligation	2021	9/15/40	2-4.0%	5,345,000	3,350,000
General Obligation	2024	9/15/44	4.60%	7,000,000	7,000,000
Direct Placement:					
General Obligation	2017	6/15/27	2.06%	1,375,000	270,000
Total Governmental Activities					15,920,000
Business-Type Activities:					
General Obligation	2021	9/15/26	3-4.0%	560,000	180,000
Total Business-Type Activities					180,000
Total Outstanding					$ 16,100,000

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Changes in Long-Term Liabilities (Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation

	Governmental Activities		Business-Type Activities	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2026	$ 1,175,000	$ 585,075	$ 90,000	$ 5,400
2027	1,175,000	539,875	90,000	1,800
2028	1,175,000	494,675	-	-
2029	1,175,000	449,475	-	-
2030	1,175,000	403,612	-	-
2031-2035	5,645,000	1,346,263	-	-
2036-2040	2,275,000	580,125	-	-
2041-2045	1,855,000	176,575	-	-
Total	$ 15,650,000	$ 4,575,675	$ 180,000	$ 7,200

Direct Placement

	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2026	$ 135,000	$ 5,562
2027	135,000	2,781
Total	$ 270,000	$ 8,343

The Town is subject to the general statutes of Connecticut, which limits the amount of debt outstanding at June 30, 2025 to the following:

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	$ 120,793,340	$ 5,488,500	$ 115,304,840
Schools	241,586,681	54,437,625	187,149,056
Sewers	201,322,234	180,000	201,142,234
Urban Renewal	174,479,269	-	174,479,269
Pension Deficit	161,057,787	-	161,057,787

Total debt outstanding may not exceed seven times annual receipts of taxation of $375,801,503.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

Authorized but Unissued Bonds

The total of authorized but unissued bonds at June 30, 2025 is $22,261,125. In most cases, interim financing is obtained through bond anticipation notes or other short-term borrowings until the issuance of long-term debt.

Bond Anticipation Notes

The following is a summary of the bond anticipation note activity for the year ended June 30, 2025:

Project	Issue Date	Due Date	Original Issue Amount	Interest Rate (%)	Balance July 1, 2024	Issued	Retired	Balance Outstanding June 30, 2025
Capital Improvement Projects	9/10/2024	9/23/2025	$ 12,745,000	4.00%	$ -	$ 21,745,000	$ -	$ 21,745,000
Total			$ 12,745,000		$ -	$ 21,745,000	$ -	$ 21,745,000

F. Lease Liability

The Town leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2039.

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

	Governmental Activities		Business-Type	
	Principal	Interest	Principal	Interest
2026	$ 183,111	$ 4,971	$ 5,244	$ 3,315
2027	60,149	807	5,608	3,123
2028	-	-	5,988	2,917
2029	-	-	6,386	2,698
2030	-	-	6,801	2,464
2031-2035	-	-	40,909	8,271
2036-2039	-	-	30,834	1,098
Total	$ 243,260	$ 5,778	$ 101,770	$ 23,886

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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

	Governmental Activities	Business-Type Activities
Leased Assets Being Amortized:		
Buildings	$ 426,320	$ -
Equipment	373,342	119,419
Less: Accumulated Amortization:		
Buildings	(323,157)	-
Equipment	(244,680)	(79,612)
Total	$ 231,825	$ 39,807

G. Fund Balance

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

	General Fund	ARPA Fund	Windermere School Addition/ Renovation Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Supplies	$ -	$ -	$ -	$ 24,676	$ 24,676
Endowments	-	-	-	52,497	52,497
Restricted for:					
Grants	-	334,968	-	167,275	502,243
Loans Receivable	-	-	-	2,993,652	2,993,652
Education	-	-	-	1,250,838	1,250,838
Special Reserves - External	-	-	-	1,458,360	1,458,360
Committed to:					
General Government	-	-	-	178,982	178,982
Capital Reserves	5,491,946	-	-	-	5,491,946
Capital and Nonrecurring	1,852,275	-	-	-	1,852,275
School Alterations	-	-	-	164,163	164,163
OPEB	1,983,774	-	-	-	1,983,774
Land Acquisition	-	-	-	559,615	559,615
Road Repair and Sidewalk	-	-	-	5,381	5,381
Public Safety	-	-	-	521,470	521,470
Mill Rate Stabilization	2,225,000	-	-	-	2,225,000
Education	120,342	-	-	1,791,209	1,911,551
Culture and Recreation Programs	-	-	-	118,175	118,175
Sanitation	10,070	-	-	-	10,070
Library	-	-	-	661,467	661,467
Various Capital Projects	-	-	-	157,625	157,625
Assigned to:					
General Government	53,514	-	-	-	53,514
Public Safety	17,886	-	-	-	17,886
Public Works	456,061	-	-	-	456,061
Culture and Recreation	15,902	-	-	-	15,902
Use in Subsequent Budget	582,555	-	-	-	582,555
Unassigned	10,839,067	-	(18,849,424)	(1,508,747)	(9,519,104)
Total Fund Balances	$ 23,648,392	$ 334,968	$ (18,849,424)	$ 8,596,638	$ 13,730,574

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Balance (Continued)

Major encumbrances are reported in the assigned fund balance of the General Fund totaling $543,363.

NOTE 4 EMPLOYEE RETIREMENT PLANS

A. Defined Contribution Money Purchase Plan

The Town provides retirement benefits for all full-time and eligible part-time employees of the Town through a noncontributory money purchase plan. Eligible employees are able to participate from the date of employment. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested from the date of employment. The Town is required to contribute 7.1% of the payroll of active employees. In addition, the Town matches employee contributions up to an additional 4.64% of the employee's salary.

The Town's contribution amounted to $598,285 for the year ended June 30, 2025. All monies contributed are used to purchase insurance contracts on-behalf of the participants, therefore, the assets of the plan are not included in the Town's basic financial statements.

B. Deferred Compensation Plan

The Town offers its employees a deferred compensation plan (the Plan) in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits employees to defer a portion of their salary until future years. Employee deferrals totaled $455,181 for the year ended June 30, 2025. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust for the exclusive benefit of the plan participants and their beneficiaries. Accordingly, the assets of the Plan are not included in the Town's basic financial statements.

C. Volunteer Firefighters' Length of Service Award Program (LOSAP)

The Town sponsors a single-employer defined benefit LOSAP for active volunteer firefighters of the Crystal Lake Fire Department and the Ellington Fire Department. The program was established pursuant to Connecticut General Statutes and provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters.

Plan Description and Benefits Provided

Active volunteer firefighters who have reached the age of 17 and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is 65.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (LOSAP) (Continued)

Plan Description and Benefits Provided (Continued)

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to $8.00 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed 35 years. Except in the case of disability of death, benefits are payable when a participant reaches entitlement age. The program also provides certain death and disability benefits on some active participants, which is provided through a group term life insurance policy.

The Town funds the plan based on an actuarial recommended contribution, which includes the current year cost plus a payment to amortize the unfunded liability. The plan actuarial required contribution for the year was $54,594. The Town contributed $-0- to the plan for the year ended June 30, 2025.

At August 1, 2023, plan membership consisted of the following:

Entitled Participants	55
Inactive Participants with Deferred Benefits	111
Active Participants	54
Total Participants	220

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the LOSAP. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Investments in insurance contracts are measured at contract value, which approximates fair value. Investment income is recognized as earned.

Investment Policy

The allocation of invested assets for the LOSAP is developed by Town management and the investment advisor. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

Rate of Return

For the year ended July 31, 2024, the annual money-weighted rate of return on pension investments, net of pension plan investment expense, was 4.00%. The money-weighted rate of return expressed investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (LOSAP) (Continued)

Summary of Significant Accounting Policies (Continued)

Net Pension Liability of the Town

The components of the net pension liability of the Town at July 31, 2024 were as follows:

Total LOSAP Liability	$ 2,247,880
Plan Fiduciary Net Position	1,350,333
Net LOSAP Liability	$ 897,547
Plan Fiduciary Net Position as a Percentage of the Total LOSAP Liability	60%

Actuarial Assumptions

The total pension liability was measured as of July 31, 2024 and it was determined by an actuarial valuation as of August 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return, Including Inflation	4.00 %
Discount Rate	3.95 %

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class.

Mortality was assumed using the RP2000 Combined – Unisex table.

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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Insurance Contract	100.00 %	4.00 %

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (LOSAP) (Continued)

Summary of Significant Accounting Policies (Continued)

Changes in the Net Pension Liability

Volunteer Firefighter's LOSAP	Increase (Decrease)		
	Total LOSAP Liability (a)	Plan Fiduciary Net Position (b)	Net LOSAP Liability (a)-(b)
Balance as of August 1, 2023	$ 2,254,805	$ 1,408,369	$ 846,436
Changes for the Year:			
Service Cost	18,006	-	18,006
Interest on Total Pension Liability	85,118	-	85,118
Effect of Plan Changes	-	-	-
Difference Between Expected and Actual Experience	28,460	-	28,460
Effect of Assumption Changes or Inputs	(35,833)	-	(35,833)
Employer Contributions	-	-	-
Member Contributions	-	-	-
Net Investment Income	-	44,640	(44,640)
Benefit Payments, Including Refund Employee Contributions	(102,676)	(102,676)	-
Net Changes	(6,925)	(58,036)	51,111
Balance as of July 31, 2024	$ 2,247,880	$ 1,350,333	$ 897,547

Discount Rate

The discount rate used to measure the total pension liability was 3.95%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the actuarially determined contribution rate. For this purpose, only Town contributions that are intended to fund benefits of current plan members and their beneficiaries are included.

Projected contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the LOSAP's fiduciary net position was projected to be depleted prior to making 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 up to the depletion date and the municipal bond rate was applied to all periods after the depletion date to determine the total pension liability.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (LOSAP) (Continued)

Summary of Significant Accounting Policies (Continued)

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

The following presents the net pension liability of the Town, calculated using the 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 (2.95%)	Current Discount Rate (3.95%)	1% Increase (4.95%)
Employee's Net Pension Liability	$ 1,236,000	$ 897,547	$ 623,000

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

For the year ended June 30, 2025, the Town recognized pension expense of $83,352 and reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 101,044	$ 13,075
Changes of Assumptions	213,107	220,584
Net Difference Between Projected and Actual Earning on Pension Plan Investments	20,116	-
Town Contributions Subsequent to the Measurement Date	80,224	-
Total	$ 414,491	$ 233,659

Amounts reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

C. Volunteer Firefighters' Length of Service Award Program (LOSAP) (Continued)

Summary of Significant Accounting Policies (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

Year Ending June 30,	Amount
2026	$ 30,381
2027	27,650
2028	25,757
2029	25,072
2030	(9,477)
Thereafter	1,225
Total	$ 100,608

D. Municipal Employees' Retirement System

Plan Description

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

Benefit Provisions

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

Normal Retirement

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

Normal Retirement (Continued)

The year's breakpoint is defined as $10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of $100. Maximum benefit is 100% of average final compensation and the minimum benefit is $1,000 annually.

Early Retirement

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

Disability Retirement – Service Connected

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

Disability Retirement – Non-Service Connected

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

Pre-Retirement Death Benefit

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

Contributions

Member

Contributions for members not covered by Social Security are 6% of compensation; for members covered by Social Security, 3.25% of compensation up to the Social Security taxable wage base plus 6% of compensation, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member. The Town's required contribution rate for the year ended June 30, 2025, was 16.68% percent of annual payroll. Contributions to the pension plan from the Town were $1,158,420 for the year ended June 30, 2025.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

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

At June 30, 2025, the Town reports a liability of $9,321,288 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2024. The actuarial assumptions used in the June 30, 2024 valuation were based on results of an actuarial experience study for the period July 1, 2017 through June 30, 2022. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2025, the Town's proportion was 0.71%. The increase in proportion from the prior year was 0.03%.

For the year ended June 30, 2025, the Town recognized pension expense of $1,386,773. At June 30, 2025, the Town reported deferred outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	$ -	$ -
Change in Proportionate Share	337,987	231,458
Change of Assumptions	706,558	-
Net Difference Between Projected and Actual Actuarial Experience	607,213	168,356
Town Contributions Subsequent to the Measurement Date	1,158,420	-
Total	$ 2,810,178	$ 399,814

Amounts reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2026	$ 246,109
2027	1,000,248
2028	28,155
2029	(45,413)
2030	22,845
Total	$ 1,251,944

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

Actuarial Assumptions

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

Inflation	2.50%
Salary Increase	3.50-9.50%, including inflation
Investment Rate of Return	7.00% net of pension plan investment expense, including inflation

Mortality rates were based on:

Pub-2010 Mortality Tables set-forward one year (except Active Employees) are projected generationally with scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a statistical 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 class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00 %	6.80 %
Public Credit	2.0	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	6.3
Infra. & Natural Resources	7.0	7.7
Total	100.00 %	

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

D. Municipal Employees' Retirement System (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer 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.

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

The following presents the Town's proportionate share of the net pension liability, calculated using the current discount rate, as well as what the Town's proportionate share of the 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's Proportionate Share of the Net Pension Liability	$ 13,481,163	$ 9,321,288	$ 5,849,335

E. Connecticut Teachers Retirement System – Pension

Plan Description

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.

Benefit Provisions

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

Normal Retirement

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System – Pension (Continued)

Benefit Provisions (Continued)

Early Retirement

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

Disability Retirement

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

Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2025 the amount of "on-behalf" contributions made by the state was $7,570,262 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

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.

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System – Pension (Continued)

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

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

Town's Proportionate Share of the Net Pension Liability	$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	76,802,180
Total	$ 76,802,180

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

For the year ended June 30, 2025, the Town recognized pension expense and revenue of $8,809,375 in Exhibit II.

Actuarial Assumptions

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

Inflation	2.50%
Salary Increase	3.00-6.50%, including inflation
Investment Rate of Return	6.90% net of pension plan investment expense, including inflation

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

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System – Pension (Continued)

Actuarial Assumptions (Continued)

Assumption changes since the prior year are as follows:

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

Benefit changes since the prior year are as follows:

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

Cost-of-Living Allowance

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

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

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

Long-Term Rate of Return

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

E. Connecticut Teachers Retirement System – Pension (Continued)

Long-Term Rate of Return (Continued)

The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer's Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Global Equity	6.80 %	37.00 %
Public Credit	2.9	2.00
Core Fixed Income	0.4	13.00
Liquidity Fund	(0.4)	1.00
Risk Mitigation	0.1	5.00
Private Equity	11.2	15.00
Private Credit	6.1	10.00
Real Estate	6.2	10.00
Infrastructure and Natural Resources	7.7	7.00
Total		100.00 %

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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.

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

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

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.

Other Information

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

NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)

F. Aggregate Pension Information

The Town recognized the following amounts related to pension plans as of and for the year ended June 30, 2025:

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
LOSAP Plan	$ 897,547	$ 414,491	$ 233,659	$ 83,760
MERS	9,321,288	2,810,178	399,814	1,386,773
Connecticut Teachers Retirement System	-	-	-	7,570,262
Total	$ 10,218,835	$ 3,224,669	$ 633,473	$ 9,040,795

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS

A. Town and Board of Education Program

Plan Description

The Town provides eligible retirees and their spouses with OPEB Program for medical and dental coverage through the Town's group health insurance plans, which cover both active and retired members in a single employer OPEB defined benefit plan. Benefit and contribution provisions are established through negotiations between the Town and the union representing Town employees and are renegotiated between three-year and five-year bargaining periods.

The Town currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2025, the Town 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.

Funding Policy

Participant contribution requirements are established and may be amended through negotiations between the Town and the respective labor union. Board of Education employees age 55 with 5 or more consecutive years of service or any age with 25 years of service in the Ellington school system are eligible to receive benefits. Town employees with 25 or more years of service, and age plus service greater than or equal to 75 years, are eligible to receive benefits.

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

Funding Policy (Continued)

Board of Education retirees contribute 100% towards dental and medical premiums. For nonunion employees, the Town contributes 100% of the premium cost for retiree's health and dental insurance coverage. For Town Hall employees, the Town contributes 85% towards pre-age 65 retiree medical and dental premiums and 100% of the premium cost for Medicare and dental coverage for retirees age 65 and older. Employees hired on or after December 4, 2008 are not eligible for any postemployment premium cost share by the Town. For public works department employees, the Town contributes 85% towards pre-age 65 retiree and medical and dental premiums and 100% of the premium cost for Medicare and dental coverage for retirees age 65 and older. Employees hired on or after September 28, 2009 are not eligible for any postemployment premium cost share by the Town.

At July 1, 2024, plan membership consisted of the following:

Retirees, Beneficiaries, and Dependents Currently Receiving Benefits	41
Active Participants	473
Total	514

Total OPEB Liability

The Town's total OPEB liability of $4,080,424 was measured as of June 30, 2025 and was determined by an actuarial valuation dated July 1, 2024 rolled forward to June 30, 2025.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation Rate	2.00%
Discount Rate	5.20%
Salary Increases:	2.50% annually
Medical Trend Rates	8.00% decreasing to an ultimate rate of 5.00%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index as of the measurement date. This represents municipal bond trends based on a portfolio of 20 general obligation bonds that mature in 20 years. Mortality rates were based on PUB-2010 head-weighted projected generationally with scale MP-2021.

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

Actuarial Assumptions and Other Inputs (Continued)

Other significant assumptions were as follows:

- The healthcare cost trend rate was reset to 7.50% in 2025, grading down 0.50% per annum to an ultimate rate of 5.00% in years 2030 and later.
- The mortality table improvement scale is MP-2021.
- The participation rate for Town employees who are eligible to receive a Town contribution in retirement is 75% and the participation rate for Town employees who are not eligible to receive a Town contribution in retirement is 25% to reflect actual experience.
- The participation rate for the Board of Education employees is 25% to reflect actual experience.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of July 1, 2024	$ 4,921,069
Changes for the Year:	
Service Cost	118,802
Interest on Total OPEB Liability	183,414
Changes of Benefit Terms	(26,296)
Differences Between Expected and Actual Experience	(527,820)
Changes in Assumptions or Other Inputs	(374,635)
Benefit Payments	(214,110)
Net Changes	(840,645)
Balance as of June 30, 2025	$ 4,080,424

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:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	$ 4,588,814	$ 4,080,424	$ 3,653,059

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

A. Town and Board of Education Program (Continued)

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 the current healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease (6.50% Decreasing to 4.00%)	Healthcare Cost Trend Rates (7.50% Decreasing to 5.00%)	1% Increase (8.50% Decreasing to 6.00%)
Total OPEB Liability	$ 3,607,894	$ 4,080,424	$ 4,656,705

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

For the year ended June 30, 2025, the Town recognized OPEB expense of $199,075. At June 30, 2025, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 62,646	$ 977,692
Changes in Assumptions	416,579	881,802
Total	$ 479,225	$ 1,859,494

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

Year Ending June 30,	Amount
2026	$ (154,968)
2027	(335,256)
2028	(163,625)
2029	(152,096)
2030	(152,096)
Thereafter	(422,228)
Total	$ (1,380,269)

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

B. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan

Plan Description

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

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

Benefit Provisions

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to $220 per month for a retired member plus an additional $220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute.

A subsidy amount of $440 per month may be paid for a retired member, spouse, or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least $440 per month towards coverage under a local school district plan.

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

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

Survivor Health Care Coverage

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

Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

Contributions

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the state was $105,991 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

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

At June 30, 2025, the Town 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 Town 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 Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	15,754,768
Total	$ 15,754,768

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

For the year ended June 30, 2025, the Town recognized OPEB expense and revenue of $218,292 in Exhibit II.

Actuarial Assumptions

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

Inflation	2.50%
Health care costs trend rate	Local Coverage - 6.25% for 2024, decreasing to an ultimate rate of 4.50% by 2031. Retiree Healthcare - Medicare rates known for 2025, 4.50% increase for all subsequent years.
Salary increases	3.00-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2027

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

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

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

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is 1.26%.

Discount Rate

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

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

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

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

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLANS (CONTINUED)

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

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

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

OPEB Fiduciary Net Position

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

Other Information

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

C. Aggregate OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2025:

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	OPEB Expense
Town OPEB Plan	$ 4,080,424	$ 479,225	$ 1,859,494	$ 199,075
Connecticut Teachers Retirement System	-	-	-	105,991
Total	$ 4,080,424	$ 479,225	$ 1,859,494	$ 305,066

NOTE 6 OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties except for workers' compensation and Liability-Automobile-Property insurance, for which the Town participates in risk-sharing pools. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2025.

NOTE 6 OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk-sharing pool. The Liability-Automobile-Property Pool provides general liability, automobile liability, employee benefit liability, law enforcement liability, public officials, and property coverage. The premium is subject to these coverages and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automotive-Property Pool retains $1,000,000 per occurrence for each line of liability coverage.

The Town is a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 32, and 40 months after the effective date of coverage. The premium is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains $1,000,000 per occurrence.

The Town has chosen to retain the risks for Board of Education employee dental claims and Board of Education employee medical insurance claims. These funds are reported as Internal Service Funds in the accompanying combining statement of net position.

The claims liability of $42,202 for the BOE Dental Self-Insurance Fund, reported at June 30, 2025 is based on estimated claims incurred but not reported. The changes in the claim liability were as follows:

BOE Dental Self-Insurance	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,	Due Within One Year
2024-2025	$ 42,973	$ 327,860	$ 330,631	$ 40,202	$ 40,202
2023-2024	26,224	337,250	320,501	42,973	42,973

The claims liability of $465,961 for the BOE Medical Self Insurance Fund, reported at June 30, 2025 is based on estimated claims incurred but not reported. The changes in the claim liability were as follows:

BOE Medical Self-Insurance	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,	Due Within One Year
2024-2025	$ 457,875	$ 6,512,036	$ 6,503,950	$ 465,961	$ 465,961
2023-2024	382,079	5,984,653	5,908,857	457,875	457,875

NOTE 6 OTHER INFORMATION (CONTINUED)

B. Contingent Liabilities

On October 14, 2025, the Town received a judgement from the Connecticut Superior Court for a pending lawsuit that was unfavorable to the position of the Town, resulting in a potential liability estimated by management to be approximately $2,218,932. As of **October 29, 2025**October 29, 2025, the Town has filed an appeal with the Connecticut Appellate Court on the judgement and will seek review of the original decision. As the outcome of the appeal efforts are currently unknown, the estimated liability has been reflected within noncurrent liabilities due in more than one year in the accompanying statement of net position as of June 30, 2025. There are other various suits and claims pending against the Town, none of which, individually or in the aggregate, are believed by counsel to be likely to result in judgement or judgements that could materially affect the Town's financial position.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

NOTE 7 CORRECTION OF AN ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

For the year ended June 30, 2025, the Town determined that accounts payable and capital outlay expenditures within the Nonmajor Funds was overstated by $786,833 for costs incurred related to fiscal year ended June 30, 2024. Consequently, capital assets within Governmental Activities was understated by $786,833. The effects of correcting the error is shown in the table below.

During fiscal year 2025, an error correction resulted in a restatement of beginning capital assets and beginning fund balance, as follows:

	June 30, 2024, As Previously Reported	Error Correction	July 1, 2024, As Restated
Government-Wide:			
Governmental Activities	$ 87,469,085	$ 786,833	$ 88,255,918
Total Primary Government	$ 87,469,085	$ 786,833	$ 88,255,918
Governmental Funds:			
Nonmajor Funds	$ 8,542,744	$ (786,833)	$ 7,755,911
Total Governmental Funds	$ 8,542,744	$ (786,833)	$ 7,755,911

NOTE 8 SUBSEQUENT EVENT

The Town issued $12,450,000 of general obligation bonds on September 23, 2025. The bonds had a coupon rate ranging from 4.0% to 5.0% and mature at various dates through 2045.

The Town also issued $15,250,000 of general obligation bond anticipation notes on September 23, 2025. The notes had a coupon rate of 4.0% and are due September 2, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Property Taxation:				
Current Year Levy	$ 55,651,473	$ 55,651,473	$ 55,750,529	$ 99,056
Prior Year Levy	80,000	80,000	284,578	204,578
Interest and Lien Fees	80,000	80,000	212,689	132,689
Tax Stabilization Agreement	-	-	12,500	12,500
Total Property Taxation	55,811,473	55,811,473	56,260,296	448,823
State and Federal Grants:				
Education Cost Sharing Grant	10,341,646	10,341,646	10,350,893	9,247
Adult Education and Vocational Agriculture	24,679	24,679	26,151	1,472
Town Road Aid	340,943	340,943	340,984	41
Disability Reimbursement	2,000	2,000	2,155	155
State Property Forest	4,540	4,540	-	(4,540)
Pequot/Mohegan Funds	4,081	4,081	4,081	-
Circuit Court Fines	850	850	3,535	2,685
Telecomm Serv Pers Prop Tax	14,868	14,868	65,802	50,934
Additional Income Veterans	9,000	9,000	8,947	(53)
Local Capital Improvement Program	165,800	169,432	169,432	-
Erase Grant	4,153	4,153	4,153	-
Historical Preserve Award	-	-	4,730	4,730
Emergency Management	-	-	8,964	8,964
North Central Area Agency on Aging	21,000	21,000	5,929	(15,071)
Municipal Grants-in-Aid	223,527	223,527	223,527	-
NCAAA-Nutrition PP (ENPP)	8,000	8,000	5,000	(3,000)
STEAP	-	-	500,000	500,000
DOT Elderly and Disabled	27,170	27,170	27,170	-
Motor Vehicle Tax Reimbursement	418,233	418,233	418,233	-
PILOT	9,851	9,851	9,851	-
State of CT 'Nip Sales'	22,000	22,000	23,645	1,645
Total State and Federal Grants	11,642,341	11,645,973	12,203,182	557,209

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Charges for Goods and Services:				
Building Department	$ 300,000	$ 300,000	$ 706,762	$ 406,762
Rights of Way Permits	2,200	2,200	3,080	880
Fire Marshal	400	400	522	122
Planning and Zoning	36,000	36,000	46,605	10,605
Recreation Program Receipts	423,000	423,000	235,891	(187,109)
Town Clerk Conveyance Tax	225,000	225,000	228,048	3,048
Town Clerk Record Fees and License	80,000	80,000	92,349	12,349
Aircraft Registration	1,000	1,000	540	(460)
Animal Control Officer Fees and Licenses	26,500	26,500	23,936	(2,564)
Adhoc Patriotic Committee	-	-	2,050	2,050
Board of Education	36,000	36,000	36,000	-
Police-Special Duty	377,000	377,000	514,534	137,534
Police-Dare Donations	-	-	1,900	1,900
Youth Services Activities	13,000	13,000	19,530	6,530
Human Services-Fuel Administration	1,200	1,200	-	(1,200)
Human Services Donations	-	-	4,890	4,890
Senior Center Donations	400	400	2,100	1,700
Senior Center Emats	700	700	1,903	1,203
Senior Center Transportation Center	27,423	27,423	308	(27,115)
Senior Center Programs	35,000	35,000	53,567	18,567
Hall Memorial Library Reimbursement	30,000	30,000	19,953	(10,047)
Library Program Revenue	2,500	2,500	52	(2,448)
Friends of the Library Reimbursement	10,265	10,265	10,915	650
Total Charges for Goods and Services	1,627,588	1,627,588	2,005,435	377,847
Investment Earnings:				
Interest on Earnings	520,000	520,000	1,680,007	1,160,007
Airport Sewer Debt	90,000	90,000	90,000	-
Other Revenues:				
Ambulance Fee Program	675,000	675,000	675,000	-
Insurance Claims and Refunds	4,000	4,000	1,635	(2,365)
WPCA Reimbursement	-	-	37,445	37,445
Recycling Revenue	19,000	19,000	43,795	24,795
Charging Stations	-	-	866	866
Snow Removal Charge - Developers	-	-	5,643	5,643
Sundry Refunds and Receipts	50,000	50,000	41,860	(8,140)
Rental Income of Town Property	29,270	29,270	29,480	210
Board of Selectmen Miscellaneous Income	-	-	1,878	1,878
Sale of Property	-	-	2,700	2,700
Total Other Revenues	777,270	777,270	840,302	63,032
Total Revenues	70,468,672	70,472,304	73,079,222	2,606,918

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

OTHER FINANCING SOURCES				
Appropriation of Fund Balance	$ 592,083	$ 592,083	$ -	$ (592,083)
Transfer from Capital Reserve Fund	200,000	413,000	213,000	(200,000)
Total Other Financing Sources	792,083	1,005,083	213,000	(792,083)
Total Revenues and Other Financing Sources	$ 71,260,755	$ 71,477,387	73,292,222	$ 1,814,835

Budgetary revenues are different than GAAP revenues because:	
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted	7,570,262
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted	105,991
CRRA Sanitation fund not budgeted	585
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes	900,856
Airport sewer debt payment receipts not included for GAAP	(90,000)
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV	$ 81,779,916

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
General Government:				
Board of Selectmen	$ 678,250	$ 690,362	$ 656,010	$ 34,352
Board of Finance	11,290	11,290	11,125	165
Auditors	52,300	52,300	41,968	10,332
Auditors - Special Project	1	1	-	1
Finance Officer	452,160	468,834	468,834	-
Tax Assessor	300,861	308,733	298,177	10,556
Tax Collector	194,424	213,294	213,294	-
Board of Assessment Appeals	120	120	79	41
Insurance Advisory Board	130	130	-	130
Town Clerk	199,730	204,248	187,442	16,806
Town Counsel	135,000	135,000	64,393	70,607
Probate Court	28,001	28,001	28,001	-
Town Planner	263,459	271,741	267,810	3,931
Total	2,315,726	2,384,054	2,237,133	146,921
Boards and Agencies:				
Registrars and Electors	83,550	84,723	84,723	-
Economic Development Commission	4,450	4,450	2,795	1,655
Planning and Zoning	27,900	30,225	30,225	-
Design Review Board	1	1	-	1
Zoning Board of Appeals	4,200	4,200	3,307	893
Shared Services Commission	1	1	-	1
Permanent Building Commission	4,120	4,120	1,090	3,030
Ethics Commission	70	70	-	70
Inland Wetland Agency	6,250	6,250	5,880	370
Flood and Erosion Control Board	1	1	-	1
Conservation Commission	3,350	3,350	3,151	199
WPCA	1	1	-	1
Total	133,894	137,392	131,171	6,221
Public Safety:				
Center Fire Department	206,357	206,357	198,041	8,316
Crystal Lake Fire Department	112,401	112,401	108,551	3,850
Fire Protection Hydrants	444,400	447,205	447,205	-
Emergency 911	72,233	72,233	72,122	111
Police	1,295,200	1,297,216	1,246,123	51,093
Police Special Duty	227,000	364,377	364,377	-
Police Drug Abuse Resistance Education	1,500	2,104	2,104	-
Animal Control Officer	112,989	124,906	124,906	-
Emergency Management	112,110	114,986	113,039	1,947
Building Department	183,902	195,739	195,739	-
Volunteer Ambulance	508,356	508,356	473,690	34,666
Emergency Service Incentive Program	146,000	146,000	133,533	12,467
Adhoc Emergency Service Committee	250	250	-	250
Preemption	5,000	5,000	1,250	3,750
Public Safety Commission	1	1	-	1
Fire Marshall	187,493	191,752	181,243	10,509
Total	3,615,192	3,788,883	3,661,923	126,960

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Public Works:				
General Town Roads	$ 2,348,107	$ 2,324,252	$ 2,294,171	$ 30,081
New Equipment	10,000	10,000	10,000	-
Equipment Maintenance	262,900	268,248	268,248	-
Town Garage Maintenance	72,266	72,266	63,591	8,675
Street Signs	10,000	12,339	12,339	-
Grounds Maintenance - BOE/Parks	129,068	130,388	130,388	-
Town Aid Road - Winter	244,250	244,250	241,090	3,160
Town Aid Road - Materials	275,000	275,000	271,369	3,631
Sanitary Landfill	663,100	663,100	600,126	62,974
Mun-Solid/Bulky Waste Curb	731,384	731,384	724,626	6,758
Sanitary Recycling	534,346	534,346	524,610	9,736
Household Hazardous Waste	19,876	19,876	13,638	6,238
Street Lighting	121,378	121,378	86,778	34,600
Engineering and Inspections	140,000	140,000	123,246	16,754
Total	5,561,675	5,546,827	5,364,220	182,607
Recreation:				
Parks Recreation Equipment	722,097	765,604	725,239	40,365
Crystal Lake Water Monitor	62,500	64,706	64,706	-
Total	784,597	830,310	789,945	40,365
Library:				
Hall Memorial Library	778,193	778,193	765,697	12,496
Human Services:				
Cornerstone Foundation, Inc.	5,000	5,000	5,000	-
Connecticut Legal Services	1,500	1,500	1,500	-
YWCA/SACS	2,000	2,000	2,000	-
Regional Mental Health Board	1,149	1,149	1,149	-
Hockanum Valley Community Council	20,000	24,375	24,375	-
Youth Activity Programs	235,478	242,013	212,535	29,478
Hartford Interval House	3,000	3,000	3,000	-
Human Services	232,370	239,252	234,594	4,658
North Central Health District	79,990	79,990	79,990	-
Municipal Agent	2,000	2,000	1,005	995
Senior Center	317,604	333,633	326,192	7,441
Total	900,091	933,912	891,340	42,572

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Town Properties:				
Town Hall	$ 361,008	$ 361,008	$ 355,568	$ 5,440
Center Cemetery	3,700	3,700	3,700	-
Hall Memorial Library Building	109,359	116,311	116,311	-
EVAC Building	38,630	38,630	34,787	3,843
Crystal Lake Fire Building	39,308	40,321	40,321	-
Crystal Fire Building - Main Street	36,690	48,906	48,906	-
Crystal Fire Building - Nutmeg Drive	25,276	44,658	44,658	-
Arbor Commons - Human Services	22,547	25,627	25,627	-
Arbor Commons - Police	15,531	17,766	17,766	-
Animal Control Facility	2,000	4,228	4,228	-
Senior Center Building	81,896	86,908	86,908	-
Pinney House	1,847	4,324	4,324	-
Old Crystal Lake School House	12,205	12,205	10,303	1,902
Total	749,997	804,592	793,407	11,185
Debt Service:				
Principal Retirement	2,084,388	2,084,388	2,084,388	-
Interest	1,070,403	1,070,403	1,059,989	10,414
Total	3,154,791	3,154,791	3,144,377	10,414
Other:				
Social Security	587,790	587,790	556,604	31,186
Insurance	3,048,181	3,048,181	2,815,165	233,016
Insurance Reimbursement and Claims	10,000	10,000	492	9,508
Service Insurance	80,224	80,224	80,224	-
Contingency Fund	200,000	-	-	-
Capital Reserve Fund	200,000	-	-	-
AD HOC Prevention Council Developing	10,000	10,000	8,670	1,330
Erase	4,153	4,153	4,153	-
AD HOC Patriotic Committee	5,000	7,054	7,054	-
AD HOC Beautification Committee	2,500	2,902	2,902	-
AD HOC Trails Committee	5,350	5,350	4,864	486
AD HOC Committee on Diversity and Inclusion	1,000	1,034	1,034	-
Charter Revision Commission	7,000	7,000	2,441	4,559
Miscellaneous	1,900	1,900	332	1,568
GASB-OPEB	100,000	100,000	100,000	-
Mill Rate Stabilization	100,000	300,000	300,000	-
Referendum/Primaries	19,000	19,000	18,095	905
Building Demolition/Eviction	2,500	2,997	2,997	-
Salary Adjustment	179,053	6,269	-	6,269
Employee Education Development	1	5,000	5,000	-
Town Communications	220	220	120	100
Town Website	20,000	20,000	20,000	-
GIS	3,000	3,000	3,000	-
Total	4,586,872	4,222,074	3,933,147	288,927

TOWN OF ELLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NONGAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Education	$ 46,715,160	$ 46,715,160	$ 46,564,324	$ 150,836
Capital Outlays	1,964,567	2,181,199	2,181,199	-
Total Budgetary Expenditures	$ 71,260,755	$ 71,477,387	70,457,883	$ 1,019,504
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted			7,570,262	
State of Connecticut on-behalf payments related to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted			105,991	
State of Connecticut grants for Special Education Excess Costs are netted for budgetary purposes			900,856	
Change in designations recorded as expenditures for budget purposes:				
Capital and nonrecurring			(280,328)	
Debt service			(1,025,000)	
OPEB Reserve			(100,000)	
CRRA Sanitation fund not budgeted for			1,460	
Airport sewer debt payment receipts not included for GAAP			(90,000)	
Transfers not budgeted			98,000	
Encumbrances outstanding at June 30, 2024 paid during current year			152,454	
Encumbrances outstanding at June 30, 2025			(102,043)	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds Exhibit IV			$ 77,689,535	

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – VOLUNTEER FIREFIGHTERS' LENGTH OF SERVICE AWARD PROGRAM
LAST SEVEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019
Total LOSAP Liability:							
Service Cost	$ 18,006	$ 8,872	$ 25,994	$ 27,133	$ 27,489	$ 23,340	$ 31,255
Interest on Total Pension Liability	85,118	77,024	79,258	82,727	85,458	84,438	84,051
Difference Between Expected and Actual Experience	28,460	97,167	5,656	4,982	(26,343)	(1,974)	13,832
Effect of Assumption Changes or Inputs	(35,833)	175,889	(294,412)	49,724	106,446	34,885	(23,954)
Benefit Payments	(102,676)	(91,108)	(95,105)	(86,716)	(89,049)	(94,420)	(100,133)
Net Change in Total LOSAP Liability	(6,925)	267,844	(278,609)	77,850	104,001	46,269	5,051
Total LOSAP Liability - Beginning	2,254,805	1,986,961	2,265,570	2,187,720	2,083,719	2,037,450	2,032,399
Total LOSAP Liability - Ending	2,247,880	2,254,805	1,986,961	2,265,570	2,187,720	2,083,719	2,037,450
Plan Fiduciary Net Position:							
Contributions - Employer	-	189,371	86,968	-	214,977	-	107,681
Net Investment Income (Loss)	44,640	41,798	36,065	37,231	32,271	34,972	36,735
Benefit Payments	(102,676)	(91,108)	(95,105)	(86,716)	(89,049)	(94,420)	(100,133)
Net Change in Plan Fiduciary Net Position	(58,036)	140,061	27,928	(49,485)	158,199	(59,448)	44,283
Plan Fiduciary Net Position - Beginning	1,408,369	1,268,308	1,240,380	1,289,865	1,131,666	1,191,114	1,146,831
Plan Fiduciary Net Position - Ending	1,350,333	1,408,369	1,268,308	1,240,380	1,289,865	1,131,666	1,191,114
Town's Net LOSAP Liability	$ 897,547	$ 846,436	$ 718,653	$ 1,025,190	$ 897,855	$ 952,053	$ 846,336
Plan Fiduciary Net Position as a Percentage of Total LOSAP Liability	60.07%	62.46%	63.83%	54.75%	58.96%	54.31%	58.46%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town Net LOSAP Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

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

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
VOLUNTEER FIREFIGHTERS' LENGTH OF SERVICE AWARD PROGRAM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 54,594	$ 49,152	$ 55,918	$ 95,715	$ 86,968	$ 101,156	$ 107,681	$ 93,306	$ 100,911	$ 96,341
Contributions in Relation to the Actuarially Determined Contribution	-	189,371	86,968	86,716	214,977	-	107,681	93,306	101,000	96,341
Contribution Deficiency (Excess)	$ 54,594	$ (140,219)	$ (31,050)	$ 8,999	$ (128,009)	$ 101,156	$ -	$ -	$ (89)	$ -
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation date: August 1, 2023

Measurement date: July 31, 2024

Actuarially determined contribution rates are calculated based on actuarial valuation as of August 1 of the beginning of each fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Unit credit
Amortization method	10 and 29 years
Single equivalent amortization period	10 year/29 year
Asset valuation method	Smoothed fair value
Inflation	2.60%
Investment rate of return	4.00%, net of investment related expense
Mortality Table	RP2000 - Combined Unisex

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
VOLUNTEER FIREFIGHTERS' LENGTH OF SERVICE AWARD PROGRAM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return, Net of of Investment Expense	4.00 %	3.90 %	4.01 %	3.81 %	3.79 %	3.93 %	4.22 %	3.59 %	3.82 %	3.57 %

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's Proportion of the Net Pension Liability	0.71 %	0.68 %	0.71 %	0.71 %	0.81 %	0.82 %	0.92 %	1.32 %	1.16 %	0.86 %
Town's Proportionate Share of the Net Pension Liability	$ 9,321,288	$ 9,672,304	$ 9,745,341	$ 5,016,210	$ 8,987,144	$ 8,425,498	$ 8,814,000	$ 3,265,400	$ 3,877,319	$ 2,853,323
Town's Covered Payroll	$ 6,951,547	$ 6,565,476	$ 6,130,309	$ 5,986,905	$ 5,736,463	$ 6,770,657	$ 6,487,231	$ 5,641,060	$ 4,702,434	$ 4,624,684
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	74.58%	67.88%	62.91%	119.35%	63.83%	80.36%	73.60%	172.75%	121.28%	162.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.85 %	69.54 %	68.71 %	82.59 %	71.18 %	72.69 %	73.60 %	91.68 %	88.29 %	92.72 %

Notes: The measurement date is one year earlier than the employer's reporting date.

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 1,158,420	$ 1,040,392	$ 1,075,501	$ 974,235	$ 952,257	$ 811,260	$ 809,991	$ 692,362	$ 662,260	$ 535,138
Contributions in Relation to the Actuarily Determined Contribution	1,158,420	1,040,392	1,075,501	974,235	952,257	811,260	809,991	692,362	662,260	535,138
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 6,951,547	$ 6,565,476	$ 6,130,309	$ 5,986,905	$ 5,736,463	$ 6,770,657	$ 6,487,231	$ 5,641,060	$ 4,702,434	$ 4,624,684
Contributions as a Percentage of Covered Payroll	16.66 %	15.85 %	17.54 %	15.91 %	16.60 %	11.98 %	12.49 %	12.27 %	14.08 %	11.57 %

Notes to Schedule:

Valuation date: June 30, 2024

Measurement date: June 30, 2024

The actuarially determined contributions are calculated as of June 30, for the fiscal year ending two years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Single equivalent amortization period	Blended 23.4 to 23.5 years depending on Tier
Asset valuation method	Market Value on the measurement date. Plan's fiduciary net position also included the present value of receivable initial liability payments established by participating employers upon entry into MERS
Inflation	2.50%
Salary increases	3.50% - 9.50%, including inflation
Investment rate of return	7%, net of investment related expense
Changes in assumptions	None

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CONNECTICUT STATE TEACHERS RETIREMENT PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's Proportion of the Net Pension Liability	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability Attributed to the Town	76,802,180	82,602,561	87,504,330	70,585,999	89,122,783	78,949,572	60,875,000	59,744,000	63,060,000	48,421,000
Total	$ 76,802,180	$ 82,602,561	$ 87,504,330	$ 70,585,999	$ 89,122,783	$ 78,949,572	$ 60,875,000	$ 59,744,000	$ 63,060,000	$ 48,421,000
Town's Covered Payroll	$ 24,166,808	$ 23,282,974	$ 22,491,951	$ 21,561,516	$ 20,684,364	$ 20,202,945	$ 18,831,000	$ 18,122,000	$ 17,669,000	$ 17,616,000
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.68 %	58.39 %	54.06 %	60.77 %	49.24 %	52.00 %	57.69 %	55.93 %	52.26 %	59.50 %

Notes to Schedule:

Changes in benefit terms	None
Changes of assumptions	None
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single equivalent amortization period	25.9 years
Asset valuation method	4-year smoothed fair value
Inflation	2.50%
Salary increase	3.00%-6.50%, including inflation
Investment rate of return	6.90%, net of investment related expense

Notes:
- The measurement date is one year earlier than the employer's reporting date.

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service Cost	$ 118,802	$ 149,682	$ 149,740	$ 156,290	$ 150,622	$ 108,160	$ 96,754	$ 134,486
Interest	183,414	183,814	178,377	140,866	142,646	186,939	194,158	170,578
Changes of Benefit Terms	(26,296)	-	-	-	-	-	(1,791)	-
Differences in Expected and Actual Experience	(527,820)	-	(675,944)	-	(45,467)	-	-	-
Changes of Assumptions and Other Inputs	(374,635)	(172,677)	303,717	(1,186,653)	(22,665)	1,158,435	849,238	(192,419)
Benefit Payments, Including Refunds of Member Contributions	(214,110)	(249,843)	(273,009)	(295,643)	(267,879)	(260,508)	(244,996)	(543,651)
Net Change in Total OPEB Liability	(840,645)	(89,024)	(317,119)	(1,185,140)	(42,743)	1,193,026	893,363	(431,006)
Total OPEB Liability - Beginning	4,921,069	5,010,093	5,327,212	6,512,352	6,555,095	5,362,069	4,468,706	4,899,712
Total OPEB Liability - Ending	$ 4,080,424	$ 4,921,069	$ 5,010,093	$ 5,327,212	$ 6,512,352	$ 6,555,095	$ 5,362,069	$ 4,468,706
Covered-Employee Payroll	$ 30,094,707	$ 30,094,707	$ 29,360,690	$ 30,600,591	$ 29,854,235	$ 26,874,892	26,219,407	N/A
Total OPEB Liability as a Percentage of Covered-Employee Payroll	13.56 %	16.35 %	17.06 %	17.41 %	21.81 %	24.39 %	20.45 %	N/A

Notes to Schedule:

Changes of Assumptions None

There are no assets accumulated in a trust to pay related OPEB benefits.

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

TOWN OF ELLINGTON, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
CONNECTICUT STATE TEACHERS RETIREMENT PLAN
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	- %	- %	- %	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net OPEB Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net OPEB Liability Attributed to the Town	15,754,768	7,738,726	7,663,372	7,690,215	13,292,666	12,312,630	12,169,000	15,377,000
Total	$ 15,754,768	$ 7,738,726	$ 7,663,372	$ 7,690,215	$ 13,292,666	$ 12,312,630	$ 12,169,000	$ 15,377,000
Town's Covered Payroll	$ 24,166,808	$ 23,282,974	$ 22,491,951	$ 21,561,516	$ 20,684,364	$ 20,202,945	$ 18,831,000	$ 18,122,000
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.40 %	11.92 %	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule:

Changes in benefit terms	There were no changes to benefit terms since the prior Measurement Date
Changes of assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2024 was updated to equal the SEIR of 3.93% as of June 30, 2024; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change; and Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Fair value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation
Price inflation	2.50%

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

APPENDIX B – FORM OF OPINION OF BOND COUNSEL – THE BONDS

September ___, 2026

Town of Ellington
55 Main Street
Ellington, CT 06029

We have acted as Bond Counsel to the Town of Ellington, Connecticut (the "Town") in connection with the issuance by the Town of its $_____ General Obligation Bonds, Issue of 2026 (the "Bonds") dated September ___, 2026. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Regulatory Agreement of the Town dated the date hereof (the "Agreement")) as we have deemed necessary to give the opinions below.

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

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

The Internal Revenue Code of 1986 (the "Code") establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the 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 Town 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 Town 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 Town 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 OPINION OF BOND COUNSEL – THE NOTES

September ___, 2026

Town of Ellington
55 Main Street
Ellington, CT 06029

We have acted as Bond Counsel to the Town of Ellington, Connecticut (the "Town") in connection with the issuance by the Town of its $_____ General Obligation Bond Anticipation Notes (the "Notes") dated September ___, 2026. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Regulatory Agreement of the Town dated the date hereof (the "Agreement")) as we have deemed necessary to give the opinions below.

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

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

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

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

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

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

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

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

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

Respectfully,

PULLMAN & COMLEY, LLC

APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT – THE BONDS

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 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 September __, 2026 by the Town of Ellington, 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 September ___, 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 September __, 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, 2026) as follows:

(i) Financial statements of the Issuer's general fund and, any special revenue, capital projects, permanent enterprise, 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:

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

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

(C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,

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

(E) calculation of total direct debt, total net direct debt, and total overall net debt (reflecting overlapping and underlying debt), as of the close of the fiscal year,

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

(G) ratios of the total direct debt, total net direct debt and total overall net debt of the Issuer to the Issuer's applicable net taxable grand list,

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

(I) funding status of the Issuer's pension benefit obligation.

(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;

(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.

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.

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

Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the 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.

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 Finance Director, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Finance Officer is Ellington Town Hall, 55 Main Street, Ellington, Connecticut 06029.

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.

TOWN OF ELLINGTON, CONNECTICUT

By_____
LAURIE BURSTEIN
First Selectman

By_____
MATTHEW EVANS
Finance Officer/Treasurer

APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT – THE NOTES

***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 to be executed by the Issuer substantially in the following form, to provide, or cause to be provided, notice of the occurrence of certain events with respect to the Notes*:**

Continuing Disclosure Agreement

This Continuing Disclosure Agreement ("Agreement") is made as of September ___, 2026 by the Town of Ellington, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of $_____ General Obligation Bond Anticipation Notes, dated as of September ___, 2026 of the Issuer (the "Notes"), for the benefit of the beneficial owners from time to time of the Notes.

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

"Final Official Statement" means the official statement of the Issuer dated September __, 2026 prepared in connection with the Notes.

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

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

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

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

Section 2. Notice of Certain Events.

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

(a) principal and interest payment delinquencies;

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

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

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

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

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

determinations with respect to the tax status of the notes, or other material events affecting the tax status of the Notes;

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

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

(i) Note defeasances;

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

(k) rating changes;

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

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

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

(o) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

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

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

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

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

Section 3. Use of Agents.

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

Section 4. Termination.

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

Section 5. Enforcement.

The Issuer acknowledges that the undertakings set forth in Section 2 of this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Notes. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding five business days with respect to the undertakings set forth in Section 2 of this Agreement) from the time the Issuer's Finance Officer, or a successor, receives written notice from any beneficial owner of the Notes of such failure. The present address of the Finance Officer, Town Hall, 55 Main Street, Ellington, Connecticut 06029.

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

Section 6. Miscellaneous.

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

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

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

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

amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository.

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

TOWN OF ELLINGTON, CONNECTICUT

By:_____
LAURIE BURSTEIN
First Selectman

By:_____
MATTHEW EVANS
Finance Officer/Treasurer

APPENDIX F – NOTICE OF SALE - THE BONDS

NOTICE OF SALE

TOWN OF ELLINGTON, CONNECTICUT
$4,500,000 GENERAL OBLIGATION BONDS, ISSUE OF 2026
BOOK-ENTRY-ONLY

NOTICE IS GIVEN that ELECTRONIC BIDS ***solely*** via ***PARITY*** ® will be received by the TOWN OF ELLINGTON, CONNECTICUT (the "Issuer"), until NOON (E.T.) on WEDNESDAY,

SEPTEMBER 9, 2026

(the "Sale Date") for the purchase, when issued, of all (but not less than all) of the Issuer's $4,500,000 General Obligation Bonds, Issue of 2026, dated September 22, 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 September 15 in the principal amounts and in each of the years as follows:

Maturity	Amount ($)	Maturity	Amount ($
2027	225,000	2037	225,000
2028	225,000	2038	225,000
2029	225,000	2039	225,000
2030	225,000	2040	225,000
2031	225,000	2041	225,000
2032	225,000	2042	225,000
2033	225,000	2043	225,000
2034	225,000	2044	225,000
2035	225,000	2045	225,000
2036	225,000	2046	225,000

The Bonds will bear interest commencing September 15, 2027 and semiannually thereafter on March 15 and September 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 September 15, 2034 are not subject to redemption prior to maturity. The Bonds maturing on September 15, 2035 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on and after September 15, 2034, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the Issuer may determine, at the redemption 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:

Redemption Dates	Redemption Price
September 15, 2034 and thereafter	100.0%

Nature of Obligation

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

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"), 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 February and August in each year.

Proposals

Each bid must be for the entire $4,500,000 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; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms" 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 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 the purchaser to apply for CUSIP numbers for the Bonds prior to delivery. 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 S&P Global, 55 Water Street, New York, New York 10041, Attention: Customer Support (telephone: (212) 849-5021; email notice: munis@spglobal.com or parity@spglobal.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. 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 or its agent via Fast Automated Securities Transfer ("FAST") on or about September 22, 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 G. 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 Susan Caron, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (860) 372-1887, E-mail: Susan.Caron@munistat.com (the "Municipal Advisor"). Questions related to this "Establishment of Issue Price" section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this "Establishment of Issue Price" section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the 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 (ii) 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 September 1, 2026 (the "Official Statement") describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at www.i-dealprospectus.com and www.munistat.com, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Susan Caron, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (860) 372-1887, E-mail: Susan.Caron@munistat.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the "Rule"), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer's expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the 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 D. 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.

TOWN OF ELLINGTON, CONNECTICUT

LAURIE BURSTEIN
First Selectman

MATTHEW EVANS
Finance Officer/Treasurer

September 1, 2026

ATTACHMENT A

ISSUE PRICE CERTIFICATE

(If Competitive Sale Rule Met)

TOWN OF ELLINGTON, CONNECTICUT
$_____ GENERAL OBLIGATION BONDS, ISSUE OF 2026
Dated September 22, 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***. The TOWN OF ELLINGTON, CONNECTICUT (the "Issuer") sold to [SHORT NAME OF UNDERWRITER], for delivery on or about September 22, 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 September 9, 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 _____, 2026.

[UNDERWRITER]

By:_____
Name:
Title:

Schedule A to Issue Price Certificate

Maturity, September 15	Principal Amount ($)	Interest Rate (%)	Price ($, not Yield)
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			

Schedule B to Issue Price Certificate

APPENDIX G – NOTICE OF SALE – THE NOTES

NOTICE OF SALE

TOWN OF ELLINGTON, CONNECTICUT
$13,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES
BOOK-ENTRY-ONLY

NOTICE IS GIVEN that ELECTRONIC BIDS via ***PARITY***® (as described herein) will be received by the TOWN OF ELLINGTON, CONNECTICUT (the "Issuer"), until 11:30 A.M. (E.T.) on WEDNESDAY,

SEPTEMBER 9, 2026

(the "Sale Date") for the purchase of the Issuer's $13,500,000 General Obligation Bond Anticipation Notes (the "Notes"). Electronic bids must be submitted via ***PARITY***® (see "Electronic Bidding Procedures").

The Notes

The Notes are expected to be dated September 22, 2026 and will mature and be payable to the registered owner on September 21, 2027 as further described in the Preliminary Official Statement (as hereinafter defined). The Notes will bear interest (which interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

Nature of Obligation

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

Bank Qualification

The Notes SHALL 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 Notes.

Registration

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

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

Each bid for the purchase of the Notes must be submitted in accordance with the requirements prescribed herein. A proposal may be for all or any part of the Notes but any proposal for a part must be for at least $100,000, or a whole multiple thereof, and a separate proposal will be required for each part of the Notes for which a separate interest rate is bid. Unless all bids are rejected, the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost ("NIC"), computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Issuer, the award will be made on the basis of the highest principal amount of the Notes specified. No bid for less than par and accrued interest, if any, will be considered and the Issuer reserves the right to award to any bidder all or any part of the Notes bid for in its proposal. If a bidder is awarded only a part of the Notes bid for in its proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Issuer with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to six decimal places. The purchase price must be paid in immediately available federal funds.

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

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

Electronic Bidding Procedures

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

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

If any provisions of this Notice of Sale shall conflict with information provided by ***PARITY***® as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about ***PARITY***®, including any fee charged, may be obtained from ***PARITY***®, c/o S&P Global, 55 Water Street, New York, New York 10041, Attention: Customer Support (telephone: (212) 849-5021; email notice: munis@spglobal.com or parity@spglobal.com).

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

Disclaimer. Each ***PARITY***® prospective electronic bidder shall be solely responsible to make necessary arrangements to access ***PARITY***® for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Issuer nor ***PARITY***® shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer nor ***PARITY***® shall be responsible for a bidder's failure to make a bid or for proper

operation of, or have any liability for any delays or interruptions of, or any damages caused by, ***PARITY®***. The Issuer is using ***PARITY®*** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Notes. The Issuer is not bound by any advice and determination of ***PARITY®*** to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via ***PARITY®*** are the sole responsibility of the bidders; and the Issuer is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Notes, the prospective bidder should telephone ***PARITY®*** at (212) 849-5021.

CUSIP Numbers

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

Certifying Agent, Registrar, Paying Agent and Transfer Agent

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

Delivery, Payment and Closing Requirements

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

The Notes will be delivered against payment in immediately available federal funds through the facilities of DTC or its agent via Fast Automated Securities Transfer ("FAST") on or about September 22, 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 Notes for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

Bond Counsel Opinion

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

Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the "Code") relating to the exclusion of interest on the Notes from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Notes an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public (the "Initial Offering Price") or the actual sales price or prices of the Notes, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this "Establishment of Issue Price" section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Susan Caron, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (860) 372-1887, E-mail: Susan.Caron@munistat.com (the "Municipal Advisor"). Questions related to this "Establishment of Issue Price" section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this "Establishment of Issue Price" section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

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

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

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

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

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

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

(1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;

(2) all bidders shall have an equal opportunity to bid;

(3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes; and

(4) the Issuer anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest net interest cost, as set forth in this Notice of Sale.

Competitive Sale Rule Met. The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. The winning bidder will be required to deliver to Bond Counsel on behalf of the Issuer prior to the delivery of the Notes a completed "Certificate as to Issue Price" (in form satisfactory to Bond Counsel) for such Notes, setting forth the Initial Offering Price.

Competitive Sale Rule Not Met. In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Notes (the "Actual Sales Rule") is sold to the Public as the

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

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

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price.

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

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

in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

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

Definitions. For purposes of this "Establishment of Issue Price" section:

(1) "Maturity" means Notes with the same credit and payment terms. Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(2) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(3) "Related Party" generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(4) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

Official Statement

For more information regarding the Notes or the Issuer, reference is made to the Preliminary Official Statement dated September 1, 2026 (the "Official Statement") describing the Notes and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at www.i-dealprospectus.com and www.munistat.com, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Susan Caron, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (860) 372-1887, E-mail: Susan.Caron@munistat.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the "Rule"), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official

Statement at the Issuer's expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Notes or by the seventh (7th) business day after the day bids on the Notes are received. If the Issuer's Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o'clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Notes, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement

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

TOWN OF ELLINGTON, CONNECTICUT

LAURIE BURSTEIN
First Selectman

MATTHEW EVANS
Finance Officer/Treasurer

September 1, 2026