

TOWN OF LEDYARD, CONNECTICUT

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2025



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TOWN OF LEDYARD, CONNECTICUT
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YEAR ENDED JUNE 30, 2025

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INTRODUCTORY SECTION

TOWN OF LEDYARD, CONNECTICUT

PRINCIPAL OFFICIALS AS OF JUNE 30, 2025

TOWN COUNCIL:

Gary St. Vil, Chair
William Barnes
April Brunelle
Jessica Buhle
Carmen Garcia-Irizarry
Kevin Dombrowski
Adrienne Parad
Timothy Ryan
Tony Saccone

ADMINISTRATION:

Frederick B. Allyn III, Mayor

Director of Finance
Treasurer
Assessor
Tax Collector
Town Clerk
Town Attorney

Matthew Bonin
Ian Stammel
Adrianna Hedwall
Kathleen Damicis
Patricia A. Riley
Matthew Ritter

BOARD OF EDUCATION:

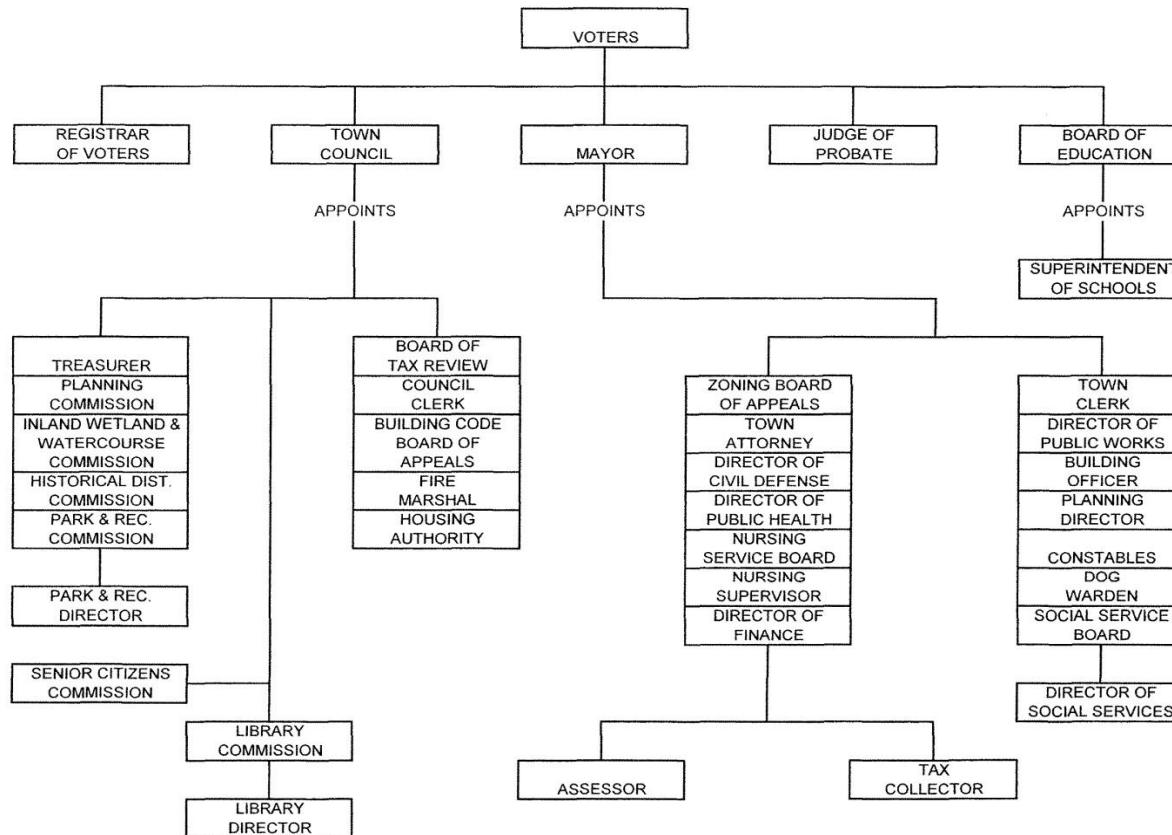
Anthony Favry, Chairman
Mary Harris
Alex Fritsch
Joanne Kelley
Ty Lamb
Jenn Reguin
Kate DiPalma-Herb
Sarah Treaster
Brandon Gruber

Superintendent of Schools
Director of Finance

Jason S. Hartling
Kenneth Knight

TOWN OF LEDYARD, CONNECTICUT

ORGANIZATIONAL CHART



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Ledyard, 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 Ledyard, 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 Ledyard, 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 Ledyard, 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.

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 Ledyard, 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.

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 Ledyard, 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 the Town of Ledyard, 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 the Town of Ledyard, 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 Ledyard, Connecticut's basic financial statements. The combining and individual fund financial statements and schedules 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 schedules is 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 section, and statistical section 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.

Town Council
Town of Ledyard, Connecticut

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of the Town of Ledyard, 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 Ledyard, 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 Ledyard, Connecticut's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cranston, Rhode Island
December 18, 2025

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

As management of the Town of Ledyard, Connecticut (Town), we offer readers of the Town of Ledyard's 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 \$99,079,229 (net position). Of this amount, \$77,093,816 was attributable to governmental activities and \$21,985,413 to business-type activities.
- The Town's total net position increased by \$4,691,922. This was primarily due to the activity associated with the Town's pension and OPEB plans, capital outlay in excess of depreciation and scheduled debt payments (which are treated as expenditures at the fund level).
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$7,880,030, a decrease of \$3,170,779 in comparison with the prior year. The decrease is due primarily due to capital project expenditures financed by temporary borrowings in advance of state reimbursements and permanent financing.
- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$5,488,507 or 8.1% of total general fund expenditures and transfers out (budgetary basis).

Overview of the Basic 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 basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

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

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

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Both of the government-wide financial statements distinguish functions of the Town of Ledyard 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, health and welfare, public works, library, parks and recreation and education. The business-type activities of the Town are for water operations and sewer operations. The government-wide financial statements can be found on Exhibits I and II.

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 of Ledyard 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 a government'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 14 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 three funds considered to be major funds. Data from the other 12 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 in Schedules 3 and 4.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Major Governmental Funds	Nonmajor Governmental Funds
General	Library Commission
Capital Projects	Cafeteria
Mill Rate Stabilization	Education Grants
	STARS Fund
	Student Activities
	Miscellaneous State Grants
	Housing Rehab Program
	Senior Center Fund
	Student Scholarships
	Endowment Fund
	Parks and Recreation

The Town adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on Exhibits III and IV.

Proprietary Funds

The Town of Ledyard maintains two different 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 an enterprise fund to account for its water operations and its sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its medical benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statement provides information for the water operations and for the sewer operations, which are considered to be major funds of the Town. The internal service fund financial statement provides information for the Town's medical plan benefits. The basic proprietary fund financial statements can be found on Exhibits V, VI and VII.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support 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 Exhibits VIII and IX.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-72.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Ledyard's progress in funding its obligation to provide pension and other post-employment benefits to its employees and the budgetary information for the General Fund.

The individual and combining statements and other schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town of Ledyard, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$99,079,229 at the close of the fiscal year.

Town of Ledyard, Connecticut
Statement of Net Position
June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 20,726,186	\$ 31,322,458	\$ 2,387,280	\$ 4,225,179	\$ 23,113,466	\$ 35,547,637
Capital assets, net of accumulated depreciation	116,347,280	112,178,888	23,413,180	22,664,852	139,760,460	134,843,740
Total assets	<u>137,073,466</u>	<u>143,501,346</u>	<u>25,800,460</u>	<u>26,890,031</u>	<u>162,873,926</u>	<u>170,391,377</u>
Deferred outflows of resources	3,120,670	4,203,227	24,218	45,152	3,144,888	4,248,379
Current and other liabilities	12,798,803	20,247,876	1,176,432	2,874,808	13,975,235	23,122,684
Long-term liabilities outstanding	41,095,784	48,178,052	2,650,239	3,052,216	43,746,023	51,230,268
Total liabilities	<u>53,894,587</u>	<u>68,425,928</u>	<u>3,826,671</u>	<u>5,927,024</u>	<u>57,721,258</u>	<u>74,352,952</u>
Deferred inflows of resources	9,205,733	5,899,497	12,594	-	9,218,327	5,899,497
Net Position:						
Net investments in capital assets	80,743,352	68,582,500	20,486,661	19,388,497	101,230,013	87,970,997
Restricted	2,123,812	1,935,656	-	-	2,123,812	1,935,656
Unrestricted	(5,773,348)	2,860,992	1,498,752	1,619,662	(4,274,596)	4,480,654
Total Net Position	<u>\$ 77,093,816</u>	<u>\$ 73,379,148</u>	<u>\$ 21,985,413</u>	<u>\$ 21,008,159</u>	<u>\$ 99,079,229</u>	<u>\$ 94,387,307</u>

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

The largest portion of the Town's net position, \$101,230,013, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure) less any related debt and related liabilities used to acquire those assets that are 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.

An additional portion of the Town's net position, \$2,123,812, represents resources that are subject to external restrictions on how they may be used. Any remaining balance of unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors.

Governmental Activities

Already noted was the statement of activities' purpose in presenting information on how the Town's net position changed during the most recent fiscal year. A summary of changes in net position follows. For the fiscal year, net position increased by \$3,714,668.

The reader should remember that the basis of accounting used in the government-wide statement of activities excludes capital expenditures, while its revenues include general taxes whose primary purpose is for the construction of those very assets or their related debt service.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Town of Ledyard, Connecticut
Statement of Changes in Net Position
June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 3,832,454	\$ 3,596,555	\$ 1,809,524	\$ 1,700,066	\$ 5,641,978	\$ 5,296,621
Operating grants and contributions	27,718,892	27,936,454	-	-	27,718,892	27,936,454
Capital grants and contributions	3,341,678	1,659,297	-	-	3,341,678	1,659,297
General revenues:						
Property taxes	46,483,343	43,879,987	-	-	46,483,343	43,879,987
Grants not restricted to specific programs	2,443,447	2,806,045	1,259,321	321,125	3,702,768	3,127,170
Unrestricted investment earnings	1,034,910	1,011,433	-	-	1,034,910	1,011,433
Miscellaneous revenue	75,091	385,380	-	-	75,091	385,380
Gain on sale of capital assets	50,574	36,656	-	-	50,574	36,656
Total revenues	<u>84,980,389</u>	<u>81,311,807</u>	<u>3,068,845</u>	<u>2,021,191</u>	<u>88,049,234</u>	<u>83,332,998</u>
Expenses:						
General government	13,628,999	14,854,941	-	-	13,628,999	14,854,941
Public safety	5,663,275	5,589,563	-	-	5,663,275	5,589,563
Public works	4,680,314	4,019,000	-	-	4,680,314	4,019,000
Health and welfare	561,656	691,424	-	-	561,656	691,424
Library	656,765	625,803	-	-	656,765	625,803
Parks and recreation	1,025,325	948,051	-	-	1,025,325	948,051
Education	53,799,028	50,103,303	-	-	53,799,028	50,103,303
Interest and fiscal charges	932,650	1,066,333	-	-	932,650	1,066,333
Water department	-	-	1,633,834	1,590,839	1,633,834	1,590,839
Sewer department	-	-	775,466	690,561	775,466	690,561
Total expenses	<u>80,948,012</u>	<u>77,898,418</u>	<u>2,409,300</u>	<u>2,281,400</u>	<u>83,357,312</u>	<u>80,179,818</u>
Change in net position before transfers	4,032,377	3,413,389	659,545	(260,209)	4,691,922	3,153,180
Transfers	<u>(317,709)</u>	<u>(292,163)</u>	<u>317,709</u>	<u>292,163</u>	<u>-</u>	<u>-</u>
Change in net position	3,714,668	3,121,226	977,254	31,954	4,691,922	3,153,180
Net Position at Beginning of Year	<u>73,379,148</u>	<u>70,257,922</u>	<u>21,008,159</u>	<u>20,976,205</u>	<u>94,387,307</u>	<u>91,234,127</u>
Net Position at End of Year	<u>\$ 77,093,816</u>	<u>\$ 73,379,148</u>	<u>\$ 21,985,413</u>	<u>\$ 21,008,159</u>	<u>\$ 99,079,229</u>	<u>\$ 94,387,307</u>

Significant changes from the prior year for revenues are as follows:

- Capital grants and contributions increased \$1,682,381 primarily due to revenue recognition relative to the LOTCIP grant.
- Property Tax Revenue increased \$2,603,356 due to an increase in the mill rate.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Revenues

Governmental activities revenues totaled \$84,980,389, for the fiscal year. Property taxes are the largest revenue source for the Town and represent 54.70% of governmental revenues. Operating grants and contributions revenues are the Town's second largest revenue source (32,62%) and include Education Cost Sharing funds and payments on-behalf payments made by the State of Connecticut for State teacher's Retirement pension and OPEB benefits.

Capital grants and contributions revenues account for 3.93% of governmental revenues for the year and are made up of school building grants, public works grants and general improvement grants. Charges for services accounts for 4.51% of governmental revenues and include the school lunch program, adult education, nurses, vocational agriculture and other tuition and park and recreation programs.

Expenses

Significant changes from the prior year are as follows:

- Education expenses increased by \$3,695,725 due to a budgeted increase in taxpayer funding.

Governmental activities expenses totaled \$80,948,012 for the fiscal year. Of the expenditures, 66.46% or \$53,799,028 was for education. Public safety expenses amounted to \$5,663,275, or 7.00%, while public works amounted to \$4,680,314 or 5.78%. Library expenses were \$656,765 or 0.81%. Park and recreation expenses were \$1,025,325 or 1.27%. General government expenses were \$13,628,999, or 16.84%, and health and welfare expenses were \$561,656 or 0.69%. Interest and fiscal charges were \$932,650 or 1.15%.

Business-Type Activities

Revenues

General revenues do not support the Town's business-type activities; thus, the largest source of revenues comes from charges for services, assessments, and transfers from the general fund. Of the \$3,068,845 in revenue from the Water department and Sewer department, 59% comes from charges for services and assessments. Grants not restricted to specific programs makes up the final 41% of revenues for the Town's business activities.

There were no significant changes noted from the prior year.

Expenses

Business-type expenses totaled \$1,633,834 and \$775,466 for the Water and Sewer departments, respectively, for the fiscal year ended June 30, 2025.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

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 a government's net resources available for spending at the end of the fiscal year.

The combined fund balances of the governmental funds at June 30, 2025 was \$7,880,030, a decrease of \$3,120,779 in comparison with the prior year.

General Fund

The General Fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,488,507. Current tax collections were 99.2% of the adjusted tax levy.

The fund balance of the general fund increased by \$195,273 during the fiscal year.

Capital Projects Fund

The Capital Projects fund balance decreased by \$3,527,412 primarily due to capital outlay exceeding revenues and transfers.

Proprietary Funds

The Town's proprietary funds provide the same information found in the government-wide financial statements, but in more detail. The Town's enterprise funds posted an overall increase in net position of \$977,254 for the fiscal year.

Water Fund

Unrestricted net position of the Water Fund at the end of the year amounted to \$675,104.

Sewer Fund

Unrestricted net position of the Sewer Fund at the end of the year amounted to \$823,648.

Other factors concerning the finances of these funds have been previously addressed in the discussion of the Town's business-type activities.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

General Fund Budgetary Highlights

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2025 is presented on Exhibit A-1 and A-2. A summary of that schedule follows:

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual		
Revenues and other financing uses:					
Property taxes	\$ 46,778,010	\$ 46,778,010	\$ 46,435,916	\$ (342,094)	
All other revenues	19,402,563	19,402,563	21,009,987	1,607,424	
Appropriation of fund balance	-	560,929	-	(560,929)	
Transfers in	1,250,000	1,250,000	250,000	(1,000,000)	
Total	<u>67,430,573</u>	<u>67,991,502</u>	<u>67,695,903</u>	<u>(295,599)</u>	
Expenditures and other financing uses:					
Expenditures	65,213,116	65,398,171	64,870,781	527,390	
Transfers out	2,217,457	2,593,331	2,629,849	(36,518)	
Total expenditures	<u>67,430,573</u>	<u>67,991,502</u>	<u>67,500,630</u>	<u>490,872</u>	
Change in Fund Balance	\$ -	\$ -	\$ 195,273	\$ 195,273	

Capital Assets and Debt Administration

At June 30, 2025, the Town of Ledyard's investment in capital assets in both governmental and business-type activities amounted to \$139,760,460 net of depreciation. This includes land, buildings, equipment, distribution and collection system and infrastructure. Capital assets for governmental activities increased by 3.72% (net), while business-type capital assets increased 3.30% (net). These changes included the following:

Construction in progress for governmental-type activities increased \$5,728,511 highlighted by continued construction of the Colonel Ledyard Highway recreational pathway and various school roof and photovoltaic projects. Significant additions to business-type capital assets included design and construction of sewer line extensions.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Town of Ledyard, Connecticut
Statement of Capital Assets, Net
June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 6,310,688	\$ 6,310,688	\$ 984,285	\$ 984,285	\$ 7,294,973	\$ 7,294,973
Construction in progress	9,084,218	3,355,707	1,646,193	419,525	10,730,411	3,775,232
Land improvements	3,467,441	3,540,380	-	-	3,467,441	3,540,380
Buildings and improvements	86,132,327	88,504,124	15,715	17,370	86,148,042	88,521,494
Distribution and collection system	-	-	20,652,507	21,113,277	20,652,507	21,113,277
Machinery and equipment	1,932,813	1,502,269	106,658	122,063	2,039,471	1,624,332
Right-of-use Asset	178,372	51,472	-	-	178,372	51,472
Vehicles	3,979,738	3,456,216	7,822	8,333	3,987,560	3,464,549
Infrastructure	5,261,683	5,458,035	-	-	5,261,683	5,458,035
Total	\$ 116,347,280	\$ 112,178,891	\$ 23,413,180	\$ 22,664,853	\$ 139,760,460	\$ 134,843,744

Additional information on the Town's capital assets can be found in Note 5.

Long-Term Debt

For the year ended June 30, 2025, the Town's long-term debt decreased by \$2,798,431. At the end of the current fiscal year, the Town had total bonded and note debt outstanding of \$ 29,933,968.

Town of Ledyard, Connecticut
General Obligation, Sewer Bonds, Clean Water and Water Notes
June 30, 2025 and 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General purpose bonds	\$ 5,763,887	\$ 6,333,088	\$ -	\$ -	\$ 5,763,887	\$ 6,333,088
School bonds	19,993,000	21,550,000	-	-	19,993,000	21,550,000
Sewer bonds	1,267	1,585	820,731	893,414	821,998	894,999
Water bonds	855,000	1,090,000	81,115	101,911	936,115	1,191,911
Clean water notes	465,788	553,490	-	-	465,788	553,490
Water notes	-	-	1,953,180	2,208,911	1,953,180	2,208,911
Total	\$ 27,078,942	\$ 29,528,163	\$ 2,855,026	\$ 3,204,236	\$ 29,933,968	\$ 32,732,399

The Town has an "AA/Stable" rating from Standard and Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 2.0% to 4.0% times total tax collections including interest and lien fees and the tax relief for the elderly freeze grant. The current debt limitation for the Town is \$303,381,561 which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 7.

TOWN OF LEDYARD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Next Year's Budget and Rates

The Town elected and appointed officials considered many factors when setting the fiscal year 2025-2026 budget. The Town decided that it was important to continue the support of the schools and adopt a budget designed to promote long-term fiscal stability. In order to meet the objectives of the 2025-2026 budget, the Town recognized the need to continue its pattern of cost containment.

The 2025-2026 general fund budget will be \$70,364,977 an increase of 4.35% over the prior year budget. While utilizing \$1,000,000 from the Mill Rate Stabilization Fund, the final Council approved budget still increased 1.93 mills.

Requests for Information

This financial report is designed to familiarize our citizens, taxpayers and customers with the Town's finances and to demonstrate the Town's fiscal accountability for its operation. Questions concerning this report, or request for additional financial information, should be directed to the Finance Director, 741 Colonel Highway, Ledyard, CT 06339.

BASIC FINANCIAL STATEMENTS

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 17,745,145	\$ -	\$ 17,745,145
Cash Held by Fiscal Agent	374,446	23,481	397,927
Receivables:			
Property Taxes, Net	910,489	-	910,489
User Charges, Net	-	153,969	153,969
Loans	626,030	-	626,030
Intergovernmental	2,227,551	-	2,227,551
Other Receivables	244,983	-	244,983
Internal Balances	(1,402,458)	1,402,458	-
Total Current Assets	20,726,186	1,579,908	22,306,094
Noncurrent Assets:			
Assessment Receivable, Net	-	807,372	807,372
Capital Assets, Nondepreciable	15,394,906	2,630,478	18,025,384
Capital Assets, Net of Accumulated Depreciation/Amortization	100,952,374	20,782,702	121,735,076
Total Noncurrent Assets	116,347,280	24,220,552	140,567,832
Total Assets	137,073,466	25,800,460	162,873,926
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	119,338	24,218	143,556
Deferred Outflows Related to Pension	-	-	-
Deferred Outflows Related to OPEB	3,001,332	-	3,001,332
Total Deferred Outflows of Resources	3,120,670	24,218	3,144,888
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	2,491,308	264,440	2,755,748
Accrued Payroll and Related Liabilities	450,183	27,135	477,318
Accrued Interest Payable	312,721	13,465	326,186
Unearned Revenue	702,186	516,992	1,219,178
Bond Anticipation Notes Payable	5,500,000	-	5,500,000
Current Maturities of Long-Term Liabilities	3,342,405	354,400	3,696,805
Total Current Liabilities	12,798,803	1,176,432	13,975,235
Noncurrent Liabilities:			
Due in More Than One Year	41,095,784	2,650,239	43,746,023
Total Liabilities	53,894,587	3,826,671	57,721,258
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pension	538,682	12,594	551,276
Deferred Inflows Related to OPEB	8,667,051	-	8,667,051
Total Deferred Inflows of Resources	9,205,733	12,594	9,218,327
NET POSITION			
Net Investment in Capital Assets	80,743,352	20,486,661	101,230,013
Restricted for:			
Endowments:			
Nonexpendable	41,914	-	41,914
Expendable	20,985	-	20,985
Education	1,039,816	-	1,039,816
Housing Rehabilitation	730,386	-	730,386
Unspent Grants Proceeds	290,711	-	290,711
Unrestricted	(5,773,348)	1,498,752	(4,274,596)
Total Net Position	<u>\$ 77,093,816</u>	<u>\$ 21,985,413</u>	<u>\$ 99,079,229</u>

See accompanying Notes to Financial Statements.

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

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	\$ 13,628,999	\$ 1,814,806	\$ 536,995	\$ 2,531,515	\$ (8,745,683)	\$ -	\$ (8,745,683)
Public Safety	5,663,275	187,511	103,671	-	(5,372,093)	-	(5,372,093)
Public Works	4,680,314	208,149	614,017	801,168	(3,056,980)	-	(3,056,980)
Health and Welfare	561,656	17,959	1,208,020	-	664,323	-	664,323
Library	656,765	7,250	4,935	8,995	(635,585)	-	(635,585)
Parks and Recreation	1,025,325	383,755	57,248	-	(584,322)	-	(584,322)
Education	53,799,028	1,213,024	25,194,006	-	(27,391,998)	-	(27,391,998)
Interest and Fiscal Charges	932,650	-	-	-	(932,650)	-	(932,650)
Total Governmental Activities	<u>80,948,012</u>	<u>3,832,454</u>	<u>27,718,892</u>	<u>3,341,678</u>	<u>(46,054,988)</u>	<u>-</u>	<u>(46,054,988)</u>
Business-Type Activities:							
Water	1,633,834	1,281,622	-	-	-	(352,212)	(352,212)
Sewer	775,466	527,902	-	-	-	(247,564)	(247,564)
Total Business-Type Activities	<u>2,409,300</u>	<u>1,809,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(599,776)</u>	<u>(599,776)</u>
Total Primary Government	<u>\$ 83,357,312</u>	<u>\$ 5,641,978</u>	<u>\$ 27,718,892</u>	<u>\$ 3,341,678</u>	<u>(46,054,988)</u>	<u>(599,776)</u>	<u>(46,654,764)</u>
GENERAL REVENUES							
Property Taxes					46,483,343	-	46,483,343
Grants and Contributions Not Restricted to Specific Programs					2,443,447	1,259,321	3,702,768
Unrestricted Investment Earnings					1,034,910	-	1,034,910
Miscellaneous					75,091	-	75,091
Gain on Sale of Capital Assets					50,574	-	50,574
Transfers					(317,709)	317,709	-
Total General Revenues					<u>49,769,656</u>	<u>1,577,030</u>	<u>51,346,686</u>
CHANGE IN NET POSITION							
Net Position - Beginning of Year					3,714,668	977,254	4,691,922
NET POSITION - END OF YEAR	<u>\$ 77,093,816</u>	<u>\$ 21,985,413</u>	<u>\$ 99,079,229</u>	<u>\$ 21,985,413</u>	<u>\$ 99,079,229</u>	<u>\$ 99,079,229</u>	<u>\$ 99,079,229</u>

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
BALANCE SHEET
JUNE 30, 2025

	General Fund	Capital Projects Fund	Mill Rate Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 15,434,130	\$ 50	\$ -	\$ 2,310,965	\$ 17,745,145
Cash held by Fiscal Agent	374,446	-	-	-	374,446
Receivables:					
Property Taxes Receivable, Net	910,489	-	-	-	910,489
Loans	-	-	-	626,030	626,030
Due from Other Governments	-	1,970,722	-	256,829	2,227,551
Other Receivables	136,658	99,513	-	8,812	244,983
Due from Other Funds	785,312	5,965,049	3,489,099	824,249	11,063,709
Total Assets	<u>\$ 17,641,035</u>	<u>\$ 8,035,334</u>	<u>\$ 3,489,099</u>	<u>\$ 4,026,885</u>	<u>\$ 33,192,353</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 1,450,526	\$ 612,917	\$ -	\$ 427,865	\$ 2,491,308
Accrued Payroll and Other Liabilities	428,916	-	-	21,267	450,183
Due to Other Funds	9,214,570	2,520,042	-	785,313	12,519,925
Unearned Revenue	26,063	506,713	-	169,410	702,186
Bond Anticipation Notes Payable	-	5,500,000	-	-	5,500,000
Total Liabilities	<u>11,120,075</u>	<u>9,139,672</u>	<u>-</u>	<u>1,403,855</u>	<u>21,663,602</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	820,152	-	-	-	820,152
Unavailable Revenue - Loans	-	-	-	626,030	626,030
Unavailable Revenue - Intergovernmental	-	-	-	-	-
Receivable	-	2,049,934	-	152,605	2,202,539
Total Deferred Inflows of Resources	<u>820,152</u>	<u>2,049,934</u>	<u>-</u>	<u>778,635</u>	<u>3,648,721</u>
FUND BALANCES					
Nonspendable	-	-	-	41,914	41,914
Restricted	-	-	-	1,455,868	1,455,868
Committed	212,301	1,216,152	3,489,099	346,613	5,264,165
Unassigned	5,488,507	(4,370,424)	-	-	1,118,083
Total Fund Balances	<u>5,700,808</u>	<u>(3,154,272)</u>	<u>3,489,099</u>	<u>1,844,395</u>	<u>7,880,030</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,641,035</u>	<u>\$ 8,035,334</u>	<u>\$ 3,489,099</u>	<u>\$ 4,026,885</u>	<u>\$ 33,192,353</u>

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
RECONCILIATION TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

RECONCILIATION 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)	\$ 7,880,030
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental Capital Assets	161,756,751
Less: Accumulated Depreciation and Amortization	<u>(45,409,471)</u>
Net Capital Assets	116,347,280
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	820,152
School Construction Intergovernmental Receivable - Accrual Basis Change	1,970,722
Housing Rehabilitation Loan Receivables - Accrual Basis Change	626,030
Unavailable Grants	231,817
Deferred Outflows Related to OPEB	3,001,332
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.	
	53,758
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 and Notes Payable	(27,078,942)
Financed Purchases Payable	(226,835)
Lease Payable	(184,170)
Deferred Charge on Refunding	119,338
Unamortized Premium on Bonds Payable	(2,120,402)
Interest Payable on Bonds	(312,721)
Landfill Post-Closure Costs	(39,000)
Total OPEB Liability	(10,223,957)
Compensated Absences	(2,259,486)
Net Pension Liability	(2,305,397)
Deferred Inflows Related to Pension	(538,682)
Deferred Inflows Related to OPEB	<u>(8,667,051)</u>
Net Position of Governmental Activities (Exhibit I)	<u>\$ 77,093,816</u>

See accompanying Notes to Financial Statements.

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

	General Fund	Capital Projects Fund	Mill Rate Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes, Interest, and Lien Fees	\$ 46,435,916	\$ -	\$ -	\$ -	\$ 46,435,916
Intergovernmental Revenues	24,702,614	3,922,559	-	3,550,346	32,175,519
Charges for Services	2,367,093	353,034	-	1,082,617	3,802,744
Investment Income	1,031,324	-	-	3,586	1,034,910
Contributions	-	-	-	98,037	98,037
Other	-	38,243	-	36,848	75,091
Total Revenues	74,536,947	4,313,836	-	4,771,434	83,622,217
EXPENDITURES					
Current:					
General Government	13,592,530	-	-	177,580	13,770,110
Public Safety	4,874,505	-	-	-	4,874,505
Public Works	3,148,282	-	-	1,200	3,149,482
Health and Welfare	453,851	-	-	11,114	464,965
Library	581,263	-	-	32,718	613,981
Parks and Recreation	582,533	-	-	251,959	834,492
Education	45,248,566	-	-	4,127,713	49,376,279
Debt Service:					
Principal Retirement	2,449,221	-	-	-	2,449,221
Interest and Other Charges	1,031,074	193,915	-	-	1,224,989
Capital Outlay	182,129	10,047,647	-	-	10,229,776
Total Expenditures	72,143,954	10,241,562	-	4,602,284	86,987,800
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	2,392,993	(5,927,726)	-	169,150	(3,365,583)
OTHER FINANCING SOURCES (USES)					
Premiums	-	-	39,820	-	39,820
Lease Issuance	182,129	-	-	-	182,129
Financed Purchase Issuance	-	289,990	-	-	289,990
Sale of Capital Assets	-	50,574	-	-	50,574
Transfers In	250,000	2,307,640	-	2,390	2,560,030
Transfers Out	(2,629,849)	(247,890)	-	-	(2,877,739)
Total Other Financing Sources (Uses)	(2,197,720)	2,400,314	39,820	2,390	244,804
NET CHANGE IN FUND BALANCES					
Fund Balances - Beginning of Year, As Originally Reported	5,505,535	373,140	-	5,122,134	11,000,809
Entity					
Reporting Entity (Nonmajor to Major Fund)	-	-	3,449,279	(3,449,279)	-
Fund Balances - Beginning of Year, As Adjusted	5,505,535	373,140	3,449,279	1,672,855	11,000,809
FUND BALANCES - END OF YEAR	\$ 5,700,808	\$ (3,154,272)	\$ 3,489,099	\$ 1,844,395	\$ 7,880,030

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
RECONCILIATION TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ (3,120,779)

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 and amortization expense.

Capital Outlay	7,828,788
Depreciation and Amortization Expense	(3,333,189)
Disposition of Capital Assets	(327,210)

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

Property Taxes Receivable - Accrual Basis Change	47,427
Change in Housing Loans	29,710
Change in Grant Deferred Revenue	(17,933)
Changes in Deferred Outflows Related to Pensions	(563,667)
Changes in Deferred Outflows Related to OPEB	(486,478)

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.

Principal Payments on Bonds and Notes Payable	2,449,221
Principal Payments on Financed Purchases	63,155
Bond Premium	(39,820)
Lease Issuance	(182,129)
Payments on Leases	55,704
Financed Purchases Issuance	(289,990)

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 Deferred Charge on Refunding	(32,412)
Amortization of Premium	349,498
Accrued Interest	80,032
Landfill Post-Closure Costs	13,000
Change in Compensated Absences	(494,435)
Change in Net Pension Liability	1,761,306
Change in Deferred Inflows Related to Pension	(538,682)
Change in Total OPEB Liability	3,231,105
Change in Deferred Inflows Related to OPEB	<u>(2,767,554)</u>
Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 3,714,668</u>

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

	Business-Type Activities			Governmental Activities	
	Enterprise Funds		Total Enterprise Funds		
	Major Funds	Internal Service Fund			
Water	Sewer				
ASSETS					
Current Assets:					
Cash Held by Fiscal Agent	\$ 20,799	\$ 2,682	\$ 23,481	\$ -	
Receivables:					
User Charges, Net	104,066	49,903	153,969	-	
Due from Other Funds	328,418	1,074,040	1,402,458	53,758	
Total Current Assets	453,283	1,126,625	1,579,908	53,758	
Noncurrent Assets:					
Receivables:					
Assessments	807,372	-	807,372	-	
Capital Assets, Nondepreciable	682,577	1,947,901	2,630,478	-	
Capital Assets, Net of Accumulated					
Depreciation	16,840,600	3,942,102	20,782,702	-	
Total Noncurrent Assets	18,330,549	5,890,003	24,220,552	-	
Total Assets	18,783,832	7,016,628	25,800,460	53,758	
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charge in Refunding	20,078	4,140	24,218	-	
LIABILITIES					
Current Liabilities:					
Accounts Payable	129,327	135,113	264,440	-	
Accrued Liabilities	-	27,135	27,135	-	
Accrued Interest Payable	-	13,465	13,465	-	
Unearned Revenue	434,127	82,865	516,992	-	
Bonds, Notes, and Loans Payable	281,718	72,682	354,400	-	
Total Current Liabilities	845,172	331,260	1,176,432	-	
Noncurrent Liabilities:					
Bonds, Notes, and Loans Payable					
and Related Liabilities	1,825,973	770,364	2,596,337	-	
Net Pension Liability	17,912	35,990	53,902	-	
Total Noncurrent Liabilities	1,843,885	806,354	2,650,239	-	
Total Liabilities	2,689,057	1,137,614	3,826,671	-	
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Related to Pension	4,185	8,409	12,594	-	
NET POSITION					
Net Investment in Capital Assets	15,435,564	5,051,097	20,486,661	-	
Unrestricted	675,104	823,648	1,498,752	53,758	
Total Net Position	\$ 16,110,668	\$ 5,874,745	\$ 21,985,413	\$ 53,758	

See accompanying Notes to Financial Statements.

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

	Business-Type Activities			Governmental Activities	
	Enterprise Funds		Total Enterprise Funds		
	Major Funds	Internal Service Fund			
	Water	Sewer			
OPERATING REVENUES					
Charges for Services	\$ 1,270,753	\$ 527,627	\$ 1,798,380	\$ -	
Other	10,869	275	11,144	-	
Total Operating Revenues	<u>1,281,622</u>	<u>527,902</u>	<u>1,809,524</u>	<u>-</u>	
OPERATING EXPENSES					
Personnel Services	-	337,931	337,931	-	
Repairs and Maintenance	-	29,455	29,455	-	
Contracted and Purchased Services	1,261,842	30,677	1,292,519	-	
Materials and Supplies	-	132,805	132,805	-	
Utilities	14,469	49,331	63,800	-	
Depreciation Expense	312,364	165,976	478,340	-	
Total Operating Expenses	<u>1,588,675</u>	<u>746,175</u>	<u>2,334,850</u>	<u>-</u>	
OPERATING INCOME (LOSS)					
	(307,053)	(218,273)	(525,326)	-	
NONOPERATING REVENUES (EXPENSES)					
Nonoperating Grant	-	1,259,321	1,259,321	-	
Interest Expense	(45,159)	(29,291)	(74,450)	-	
Total Nonoperating Revenues (Expenses)	<u>(45,159)</u>	<u>1,230,030</u>	<u>1,184,871</u>	<u>-</u>	
INCOME (LOSS) BEFORE TRANSFERS					
Transfers In	322,081	349,778	671,859	-	
Transfers Out	(187,500)	(166,650)	(354,150)	-	
CHANGE IN NET POSITION					
Net Position - Beginning of Year	<u>16,328,299</u>	<u>4,679,860</u>	<u>21,008,159</u>	<u>53,758</u>	
NET POSITION - END OF YEAR	<u><u>\$ 16,110,668</u></u>	<u><u>\$ 5,874,745</u></u>	<u><u>\$ 21,985,413</u></u>	<u><u>\$ 53,758</u></u>	

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities	
	Enterprise Funds		Total Enterprise Funds		
	Major Funds	Internal Service Fund			
	Water	Sewer			
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 1,444,959	\$ 502,268	\$ 1,947,227	\$ -	
Payments to Suppliers	(1,322,588)	(258,547)	(1,581,135)	-	
Payments to Employees	(6,689)	(310,571)	(317,260)	-	
Net Cash Provided (Used) by Operating Activities	<u>115,682</u>	<u>(66,850)</u>	<u>48,832</u>	-	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Assessments	71,403	-	71,403	-	
Grants	-	1,259,321	1,259,321	-	
Transfers from Other Funds	322,081	349,778	671,859	-	
Transfers to Other Funds	(187,500)	(166,650)	(354,150)	-	
Net Cash Provided by Noncapital Financing Activities	<u>205,984</u>	<u>1,442,449</u>	<u>1,648,433</u>	-	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Additions to Property, Plant, and Equipment	-	(1,226,668)	(1,226,668)	-	
Principal Payments (Bonds and Notes)	(283,201)	(119,417)	(402,618)	-	
Interest Payments	(38,465)	(29,514)	(67,979)	-	
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(321,666)</u>	<u>(1,375,599)</u>	<u>(1,697,265)</u>	-	
NET INCREASE IN CASH AND CASH EQUIVALENTS					
Cash and Cash Equivalents - Beginning of Year	<u>20,799</u>	<u>2,682</u>	<u>23,481</u>	-	
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 20,799</u></u>	<u><u>\$ 2,682</u></u>	<u><u>\$ 23,481</u></u>	<u><u>\$ -</u></u>	
RECONCILIATION OF OPERATING INCOME (LOSS) PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Loss	\$ (307,053)	\$ (218,273)	\$ (525,326)	\$ -	
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:					
Depreciation	312,364	165,976	478,340	-	
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	4,338	638	4,976	-	
(Increase) Decrease in Due from Other Funds	158,999	1,602,521	1,761,520	-	
Increase (Decrease) in Accounts Payable	(46,277)	(16,279)	(62,556)	-	
Increase (Decrease) in Accrued Liabilities	-	34,095	34,095	-	
Increase (Decrease) in Unearned Revenue	-	(1,628,793)	(1,628,793)	-	
Increase (Decrease) in Net Pension Liability	(15,506)	(23,370)	(38,876)	-	
(Increase) Decrease in Deferred Outflows	4,632	8,226	12,858	-	
Increase (Decrease) in Deferred Inflows	4,185	8,409	12,594	-	
Total Adjustments	<u>422,735</u>	<u>151,423</u>	<u>574,158</u>	-	
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 115,682</u></u>	<u><u>\$ (66,850)</u></u>	<u><u>\$ 48,832</u></u>	<u><u>\$ -</u></u>	

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2025

	<u>Pension Trust Funds</u>
ASSETS	
Investments, at Fair Value:	
Mutual Funds	\$ 32,309,587
Receivables:	
Accrued Interest and Dividends	33,927
Total Assets	<u>32,343,514</u>
NET POSITION	
Restricted for Pension Benefits	<u>\$ 32,343,514</u>

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PENSION TRUST FUNDS
YEAR ENDED JUNE 30, 2025

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 850,000
Plan Members	<u>136,925</u>
Total Contributions	986,925
Investment Earnings:	
Net Change in Fair Value of Investments	2,134,860
Interest and Dividends	<u>1,098,414</u>
Total Investment Earnings	3,233,274
Less: Investment Expenses:	
Investment Management Fees	<u>58,781</u>
Net Investment Earnings	<u>3,174,493</u>
Total Additions	4,161,418
DEDUCTIONS	
Benefits	2,249,697
Administration	<u>12,123</u>
Total Deductions	<u>2,261,820</u>
CHANGE IN NET POSITION	1,899,598
Net Position - Beginning of Year	<u>30,443,916</u>
NET POSITION - END OF YEAR	<u><u>\$ 32,343,514</u></u>

See accompanying Notes to Financial Statements.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Ledyard, Connecticut (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 policies of the Town are described as follows:

A. Reporting Entity

The Town was incorporated in 1836 and covers an area of 40.5 square miles. The Town operates under the provisions of its Charter and General Statutes of the State of Connecticut (the Statutes). The Mayor, who is the chief executive officer, is directly responsible for the administration of all departments, agencies, and offices. The Town provides the following services: general government, public safety, public works, parks and recreation, library, health and welfare services, water pollution control, and education.

The legislative power of the Town is vested in the Town Council, which consists of nine members, unless otherwise provided by the Charter. The Department of Finance, under the supervision of the Director of Finance (appointed by the Mayor), is responsible for keeping accounts and financial records, the assessment and collection of taxes, the collection of special assessments and other revenues, the custody and disbursement of Town funds, the control over expenditures and such other powers and duties as may be required by ordinance or resolution of the Town Council. The Town Treasurer, appointed by the Town Council, has all power and duties conferred or imposed by law.

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

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

Fiduciary Component Units

The Town has established a single-employer Public Retirement System (PERS), Ledyard Retirement System, to provide retirement benefits to qualified employees. The Town appoints the majority of the Board and is required to make contributions to the pension plan.

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

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. The effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments and postemployment benefits are recognized based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Town the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes when levied for, charges for services, and interest associated with the current fiscal period and intergovernmental revenues when eligibility requirements are met are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund

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

Capital Projects Fund

The Capital Projects Fund accounts for the financial revenues to be used for major capital asset construction and/or purchases.

Mill Rate Stabilization Fund

The Mill Rate Stabilization Fund is used to account for bond premiums to be used to pay future debt service.

The Town reports the following major proprietary funds:

Water Fund

The Water Fund accounts for the activities of the Town's water operations.

Sewer Fund

The Sewer Fund accounts for the activities of the Town's sewer operations.

Additionally, the Town reports the following fund types:

Internal Service Fund

Used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis. The Town's internal service fund is its Medical Self-Insurance Fund which is no longer active.

Fiduciary Fund Types

These funds account for assets held by the government in a trustees capacity. Trust funds account for assets held by the government under the terms of a formal trust agreement. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fiduciary Fund Types (Continued)

The *Pension Trust Fund* accounts for the activities of the Ledyard Retirement System, which accumulates resources for pension benefit payments to qualified employees.

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.

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

D. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments with original maturities of three months or less, when purchased, such as certificates of deposit and investment pools.

Investments

All investments are stated at fair value.

E. Receivables and Payables

Property Taxes

Property taxes are assessed as of October 1 and are levied the following July 1. Taxes are due and payable in equal installments on July 1, and January 1, following the date of the Grand List. Interest of 1 ½% per month is charged on delinquent taxes. Liens are effective on the attachment date and are continued by filing prior to the following levy date. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1. An amount of \$104,169 has been established as an allowance for uncollectible taxes.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables (Continued)

Allowance for Doubtful Accounts

Accounts receivable, including property taxes receivable, are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts that are deemed uncollectible based upon past collection history and management's assessment of creditor's ability to pay.

Interfunds

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" or "advances to/from other funds."

Loan Receivables

Loan receivable in the Housing Rehab Program are related to Community Development Block Grant funds that are available to income eligible residential property owners for housing rehabilitation. Loan receivables are recorded and revenues are recognized upon sale of the property.

F. Prepaid Items

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

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activity column 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, work of art, and similar items are recorded at acquisition value at the date of donation.

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

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use lease equipment, and infrastructure of the Town are depreciated/amortized using the straight-line method over the following estimated useful lives:

Building	50 Years
Building Improvements	20 to 50 Years
Distribution and Collection Systems	75 Years
Public Domain Infrastructure	75 Years
Machinery and Equipment	5 to 20 Years

Capital outlay is reported as expenditures and no depreciation/amortization expense is reported in the governmental fund financial statements.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the lease term or the of the underlying asset.

H. 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.

I. 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 or asset), 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.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Total Other Postemployment Benefits Other Than Pension (OPEB) Liability

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

K. 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 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 OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. A deferred outflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions, or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets 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 related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension or OPEB results from differences between expected and actual experience, changes in assumptions, or other inputs. These amounts are deferred and included in pension expense and OPEB expense in a systematic and rational manner. Also, 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, interest on property taxes, long-term loans, and intergovernmental receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Long-Term Obligations

In the government-wide financial statement, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued, including capital leases, 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. Principal payments, and issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Fund Balance

In the government-wide financial statements and in proprietary fund types, net position is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets net of unexpended proceeds. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are included in this component of net position.

Restricted Net Position – These amounts are restricted to specific purposes when constraints placed on the use of resources are either: (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Unrestricted Net Position – This category represents the net position of the Town, which are not restricted for any project or other purpose. A deficit will require future funding.

In the fund financial statements, fund balances of governmental funds are classified in five separate categories. The five categories, and their general meanings, are as follows:

Nonspendable Fund Balance – These amounts cannot be spent because they are not in spendable form, or because they are legally or contractually required to be maintained intact.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Balance (Continued)

Restricted Fund Balance – These amounts are restricted to specific purposes when constraints placed on the use of resources by external parties, such as debt covenants, grantors, contributors, or laws or regulations of other governments.

Committed Fund Balance – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. The Ledyard Board of Finance is the highest level of decision-making authority for the Town and can commit fund balance through the adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until similar action is taken to remove or revise the limitation.

Assigned Fund Balance – For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance, who has been delegated to assign amounts by the Town Charter.

Unassigned Fund Balance – The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

When both restricted and unrestricted amounts are available for use, it is the Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

N. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues, expenses, and expenditures during the fiscal year. Accordingly, actual results could differ from those estimates.

O. Adoption of New Accounting Standards

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. This statement aims to achieve a unified model for recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The Town adopted this standard effective July 1, 2024. There was no material effect on the Town's financial statements.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements:

- The Mayor compiles the budget requests from the Town departments and agencies, with the exception of the Board of Education, and presents the budget to the Town Council. The Board of Education files a detailed estimate of expenditures with the Mayor for transmittal to the Town Council. The Town Council, after its review process, prepares and presents a recommended budget for Town Meeting approval.
- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education, Town Council, and, if necessary, Town Meeting approval.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level.
- Individual additional appropriations of less than 1% of the current tax levy can be made by the Town Council, the accumulative total of which cannot exceed 2% of the current tax levy. There were no additional appropriations in excess of 1% during the year.
- Additional appropriations of more than 1%, and any resolution authorizing the issuance of bonds or notes or other borrowings, require Town Meeting approval. Upon request by the Mayor, during the last three months of the fiscal year, the Town Council may transfer any unencumbered appropriation, or portion thereof, from one department, commission, board, or office to another. No transfer may be made from any appropriation for debt service and other statutory charges.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

- Generally, all unencumbered appropriations lapse at year-end except those for capital projects funds. Appropriations for capital projects are continued until completion of applicable projects even when projects extend more than one fiscal year.
- The Town has adopted a fund balance reserve policy and has set the minimum undesignated/unreserved balance for the general fund at an amount equal to 7% of current year General Fund expenditures. The Town will avoid the appropriation of fund balance for recurring operating expenditures.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations for the following functions:

	<u>Function</u>	<u>Expenditures in Excess of Appropriations</u>
Department of Finance		\$ 105,412
Public Safety		141,483
Transfers Out		36,518

Department of Finance overages were due to unbudgeted tax refunds. Public Safety overages related to overtime wages in excess of budget.

C. Deficit Fund Balance

Certain individual funds had fund balance deficits at June 30, 2025, as follows:

Major Fund:	
Capital Projects Funds	<u>\$ 3,154,272</u>

The fund deficit will be eliminated by grant funding and future bonding.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 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.

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.

A. Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposits may not be returned to it. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$13,782,393 of the Town’s bank balance of \$14,555,874 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 12,329,153
Uninsured and Collateral Held by the Pledging	
Bank’s Trust Department, Not in the Town’s Name	1,453,240
Total Amount Subject to Custodial Risk	<u>\$ 13,782,393</u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town’s cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

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 \$10,420,228. The following table provides a summary of the Town's cash equivalents as rated by nationally recognized statistical rating organizations.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAAm

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

B. Investments

At June 30, 2025, the Town's investments (all pension trust fund investments) of \$32,309,587 consisted entirely of mutual funds.

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town policy is to pre-qualify all financial institutions that it will do business with. The Town has no amounts subject to custodial credit risk.

Interest Rate Risk

The Town's investment policy limits its investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments

Connecticut state statutes limit the investment options of cities and towns. The Town has adopted an investment policy that allows the same type of investments as state statutes.

Concentration of Credit Risk

The Town's investment policy requires diversification by limiting investments to avoid overconcentration in securities from a specific issuer. No more than 5% of the Town's investments were invested in any one issuer in which credit risk was applicable.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Fair Value

The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

Level 1 – Quoted prices in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

Level 3 – Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Fair Value (Continued)

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:				
Mutual Funds	\$ 32,309,587	\$ 32,309,587	\$ -	\$ -

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

NOTE 4 RECEIVABLES

Receivable balances have been disaggregated by type and presented separately in the fund financial statements. Only receivables for the Town's government-wide financial statements with allowances for uncollectible accounts as of June 30, 2025, including the applicable allowances for uncollectible accounts, are presented below.

	Property Taxes		
	Interest and Lien Fees		
	Taxes		Total
Accounts Receivable	\$ 763,172	\$ 251,486	\$ 1,014,658
Less: Allowance for Uncollectible Accounts	(104,169)	-	(104,169)
Net Accounts Receivable	<u>\$ 659,003</u>	<u>\$ 251,486</u>	<u>\$ 910,489</u>
Use Charge Receivable			
	Water Department		
	Sewer Department		
	Total		
Accounts Receivable	\$ 104,066	\$ 49,903	\$ 153,969
Less: Allowance for Uncollectible Accounts	-	-	-
Net Accounts Receivable	<u>\$ 104,066</u>	<u>\$ 49,903</u>	<u>\$ 153,969</u>

There is no allowance applied to water and sewer assessments receivable and the loan rehab program receivable since the amounts due are liened and the lien remains with the property.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated and Amortized:					
Land	\$ 6,310,688	\$ -	\$ -	\$ -	\$ 6,310,688
Construction in Progress	3,355,707	6,425,183	-	(696,672)	9,084,218
Total Capital Assets Not Being Depreciated and Amortized	9,666,395	6,425,183	-	(696,672)	15,394,906
Capital Assets Being Depreciated and Amortized:					
Land Improvements	4,637,334	-	-	56,260	4,693,594
Buildings and Improvements	119,066,229	135,500	292,346	-	118,909,383
Machinery and Equipment	3,854,834	679,038	34,863	-	4,499,009
Right to Use Equipment	204,284	182,129	131,237	-	255,176
Vehicles	8,088,719	406,938	-	640,412	9,136,069
Infrastructure	8,868,614	-	-	-	8,868,614
Total Capital Assets Being Depreciated and Amortized	144,720,014	1,403,605	458,446	696,672	146,361,845
Less: Accumulated Depreciation and Amortization for:					
Land Improvements	1,096,954	129,199	-	-	1,226,153
Buildings and Improvements	30,562,105	2,214,951	-	-	32,777,056
Machinery and Equipment	2,352,565	213,631	-	-	2,566,196
Right to Use Equipment	152,812	55,228	131,236	-	76,804
Vehicles	4,632,503	523,828	-	-	5,156,331
Infrastructure	3,410,579	196,352	-	-	3,606,931
Total Accumulated Depreciation and Amortization	42,207,518	3,333,189	131,236	-	45,409,471
Total Capital Assets Being Depreciated and Amortized, Net	102,512,496	(1,929,584)	327,210	696,672	100,952,374
Governmental Activities Capital Assets, Net	\$ 112,178,891	\$ 4,495,599	\$ 327,210	\$ -	\$ 116,347,280
Business-Type Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 984,285	\$ -	\$ -	\$ -	\$ 984,285
Construction in Progress	419,525	1,226,668	-	-	1,646,193
Total Capital Assets Not Being Depreciated	1,403,810	-	-	-	2,630,478
Capital Assets Being Depreciated:					
Buildings and Improvements	66,164	-	-	-	66,164
Distribution and Collection System	30,719,002	-	-	-	30,719,002
Machinery and Equipment	773,034	-	-	-	773,034
Vehicles	76,529	-	-	-	76,529
Total Capital Assets Being Depreciated	31,634,729	-	-	-	31,634,729
Less: Accumulated Depreciation for:					
Buildings and Improvements	48,794	1,654	-	-	50,449
Distribution and Collection System	9,605,726	460,769	-	-	10,066,495
Machinery and Equipment	650,970	15,406	-	-	666,376
Vehicles	68,196	511	-	-	68,707
Total Accumulated Depreciation	10,373,686	478,340	-	-	10,852,027
Total Capital Assets Being Depreciated, Net	21,261,043	(478,340)	-	-	20,782,702
Business-Type Activities Capital Assets, Net	\$ 22,664,853	\$ (478,340)	\$ -	\$ -	\$ 23,413,180

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:

General Government	\$ 96,043
Public Safety	679,213
Public Works	456,092
Health and Welfare	20,903
Library	30,344
Parks and Recreation	79,536
Education	<u>1,971,058</u>
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 3,333,189</u>

Business-Type Activities:

Water Fund	\$ 312,364
Sewer Fund	<u>165,976</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 478,340</u>

NOTE 6 INTERFUND BALANCES AND TRANSFERS

Interfund payables and receivables: A summary of interfund balances as of June 30, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 785,312
Capital Projects	General Fund	5,965,049
Mill Rate Stabilization Fund	General Fund	3,489,099
Nonmajor Governmental Funds	General Fund	824,249
Water Fund	General Fund	328,418
Sewer Fund	General Fund	1,074,040
Internal Service Fund	General Fund	53,758
	Total	<u>\$ 12,519,925</u>

The General Fund holds primarily all the cash for the Town and the resulting due to/from other results from these cash allocations.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 INTERFUND BALANCES AND TRANSFERS (CONTINUED)

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

	Transfer In						Total Transfer Out
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Water Fund	Sewer Fund		
Transfers Out:							
General Fund	\$ -	\$ 2,203,490	\$ -	\$ 322,081	\$ 104,278	\$ 2,629,849	
Capital Projects Fund	-	-	2,390	-	245,500	247,890	
Water Fund	187,500	-	-	-	-	187,500	
Sewer Fund	62,500	104,150	-	-	-	166,650	
Transfers In	<u>\$ 250,000</u>	<u>\$ 2,307,640</u>	<u>\$ 2,390</u>	<u>\$ 322,081</u>	<u>\$ 349,778</u>	<u>\$ 3,231,889</u>	

Transfers are used to account for the financing by the General Fund of various programs and activities in other funds. Transfers out from the General Fund are various capital improvements for capital nonrecurring items and board of education capital items. The General Fund also transfers amounts to the Water and Sewer Fund for operating cost. Capital projects fund transferred bond premiums to mill rate stabilization fund, a nonmajor governmental fund, to be used to pay future debt service.

Short-Term Obligations

The Town uses bond anticipation notes during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Short-term obligation activity for the year ended June 30, 2025 was as follows:

Date Issued	Maturity Date	Interest Rate (%)	Balance			Balance June 30, 2025
			July 1, 2024	Issued	Retired	
05/01/2024	8/13/24	4.50%	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -
08/13/2024	8/12/25	4.00%	-	5,500,000	-	5,500,000
			<u>\$ 10,000,000</u>	<u>\$ 5,500,000</u>	<u>\$ 10,000,000</u>	<u>\$ 5,500,000</u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 28,974,673	\$ -	\$ 2,361,519	\$ 26,613,154	\$ 2,361,519
Premium on Bonds	2,430,080	39,820	349,498	2,120,402	-
Total Bonds and Premiums	31,404,753	39,820	2,711,017	28,733,556	2,361,519
Notes Payable from Direct Borrowing	553,490	-	87,702	465,788	89,472
Lease Liability	57,745	182,129	55,704	184,170	43,520
Financed purchases	-	289,990	63,155	226,835	51,368
Landfill Post-Closure Costs	52,000	-	13,000	39,000	13,000
Compensated Absences	1,765,051	494,435	-	2,259,486	452,000
Total OPEB Liability	13,455,062	-	3,231,105	10,223,957	331,526
Net Pension Liability	4,066,703	-	1,761,306	2,305,397	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 51,354,804</u>	<u>\$ 1,006,374</u>	<u>\$ 7,922,989</u>	<u>\$ 44,438,189</u>	<u>\$ 3,342,405</u>
 Business Type Activities:					
Bonds and Notes Payable:					
General Obligation Bonds	\$ 995,325	\$ -	\$ 93,479	\$ 901,846	\$ 93,481
Premium	104,412	-	8,700	95,712	-
Total Bonds and Premiums	1,099,737	-	102,179	997,558	93,481
Notes Payable from Direct Borrowing	2,208,911	-	255,731	1,953,180	260,919
Net Pension Liability	92,768	-	38,866	53,902	-
Total Business-Type Activities Long-Term Liabilities	<u>\$ 3,401,416</u>	<u>\$ -</u>	<u>\$ 396,776</u>	<u>\$ 3,004,640</u>	<u>\$ 354,400</u>

All long-term liabilities for the governmental activities are generally liquidated by the General Fund.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds

General obligation bonds as of June 30, 2025 consisted of the following:

	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance Outstanding June 30, 2025
Governmental Activities:					
General Purpose:					
Refunding Improvement Bonds	\$ 1,755,000	05/25/16	07/01/28	1.00-4.00%	\$ 113,887
Improvement Bonds	6,561,000	05/25/16	05/15/36	2.75-5.00%	3,805,000
Refunding Improvement Bonds	2,136,000	07/06/21	10/01/33	0.40-4.00%	1,595,000
Improvement Bonds	<u>295,000</u>	05/10/22	05/01/42	3.125-5.00%	<u>250,000</u>
Total General Purpose	<u>10,747,000</u>				<u>5,763,887</u>
School:					
Refunding Improvement Bonds	2,975,000	05/25/16	07/01/28	1.00-4.00%	268,000
Improvement Bonds	15,000,000	05/17/17	07/15/36	3.00-5.00%	9,470,000
Improvement Bonds	6,000,000	06/12/19	06/01/39	3.00-5.00%	4,410,000
Improvement Bonds	4,000,000	05/11/21	09/01/40	3.00-4.00%	3,200,000
Refunding Improvement Bonds	469,000	07/06/21	10/01/33	0.40-4.00%	345,000
Improvement Bonds	<u>2,705,000</u>	05/10/22	05/01/42	3.125-5.00%	<u>2,300,000</u>
Total School	<u>31,149,000</u>				<u>19,993,000</u>
Sewer:					
Refunding Improvement Bonds	45,000	05/25/16	07/01/28	1.00-4.00%	1,267
Water:					
Refunding Improvement Bonds	2,910,000	05/25/16	07/01/28	1.00-4.00%	<u>855,000</u>
Total Governmental Activities					<u>\$ 26,613,154</u>
Business-Type Activities:					
Water Fund:					
Refunding Bonds	\$ 1,250,000	05/25/16	07/01/28	1.00-4.00%	\$ 81,115
Sewer Fund:					
Improvement Bonds	1,300,000	05/17/17	07/15/36	3.00-5.00%	810,000
Refunding Bonds	<u>380,000</u>	05/25/16	07/01/28	1.00-4.00%	<u>10,731</u>
Total Sewer Fund	<u>1,680,000</u>				<u>820,731</u>
Total Business-Type Activities					<u>\$ 901,846</u>

The sewer improvement bonds are supported by means of an assessment program. All obligations are backed by the full faith and credit of the Town.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

General Obligation Bonds (Continued)

The annual debt service requirements of general obligation bonds are as follows:

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 2,361,519	\$ 914,872	\$ 93,481	\$ 28,742
2027	2,331,519	808,461	93,481	24,303
2028	2,326,519	711,268	93,481	20,535
2029	2,288,599	617,766	91,401	16,879
2030	2,015,000	534,506	70,000	14,079
2031-2035	9,855,000	1,640,225	330,000	41,117
2036-2040	4,935,000	374,225	130,002	2,200
2041-2043	499,998	20,000	-	-
Total	<u>\$ 26,613,154</u>	<u>\$ 5,621,323</u>	<u>\$ 901,846</u>	<u>\$ 147,855</u>

Notes Payable from Direct Borrowing

The Town has three State of Connecticut Drinking Water Fund serial notes outstanding. These loans were issued to finance improvements to the water distribution infrastructure. A schedule of notes payable at June 30, 2025 is presented below:

	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance Outstanding June 30, 2025
Governmental Activities:					
Water:					
Drinking Water	\$ 1,629,000	12/27/10	06/01/30	2.00%	\$ 465,788
Business-Type Activities:					
Water Fund:					
Drinking Water	926,007	09/30/06	09/30/26	2.05%	69,656
Drinking Water	3,781,622	02/27/15	03/31/35	2.00%	1,883,524
Total Drinking Water Notes	<u>\$ 4,707,629</u>				<u>1,953,180</u>
Total Notes					<u>\$ 2,418,968</u>

The annual debt service requirements of notes payable are as follows:

Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 89,472	\$ 8,499	\$ 260,919	\$ 36,702
2027	91,278	6,693	226,565	30,698
2028	93,120	4,850	213,722	27,422
2029	95,000	2,971	218,038	23,108
2030	96,918	1,053	222,437	18,728
2031-2035	-	-	811,499	29,618
Total	<u>\$ 465,788</u>	<u>\$ 24,065</u>	<u>\$ 1,953,180</u>	<u>\$ 166,276</u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

Statutory Debt Limitations

The Town's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General Purpose	\$ 97,515,502	\$ 11,263,887	\$ 86,251,615
Schools	195,031,004	24,604,637	170,426,367
Sewers	162,525,836	821,998	161,703,838
Urban Renewal	140,855,725	-	140,855,725
Pension Deficit	130,020,669	-	130,020,669

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$303,381,561.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

Authorized/unissued bonds: On June 30, 2025, the Town had authorized unissued bonds as follows:

School	<u>\$ 4,611,637</u>
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The authorized/unissued debt for schools has been reduced by anticipated grant proceeds from the State of Connecticut of \$34,818,363 relative to the school construction project.

Water system related debt of \$936,115 has been excluded from the calculation.

Lease Payable

The Town leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2030.

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

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 43,520	\$ 8,074	\$ 51,594
2027	42,772	5,855	48,627
2028	31,009	4,043	35,052
2029	32,595	2,457	35,052
2030	34,274	789	35,063
Total Minimum Lease Payments	<u>\$ 184,170</u>	<u>\$ 21,218</u>	<u>\$ 205,388</u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 CHANGES IN LONG-TERM LIABILITIES (CONTINUED)

Financed Purchases

The Town has entered into a financed purchase agreement for financing the acquisition of machinery and equipment. This agreement qualifies as a financed purchase for accounting purposes and therefore has been recorded at the present value of future minimum payments as of the inception date. The asset acquired through financed purchases is as follows:

	<u>Governmental</u> <u>Activities</u>
Machinery and Equipment	\$ 289,990
Less: Accumulated Depreciation	<u>(14,500)</u>
Total	<u>\$ 275,490</u>

The future minimum payments and net present value of the minimum payments as of June 30, 2025, were as follows:

<u>Year Ending June 30,</u>	<u>Governmental</u> <u>Activities</u>
2026	66,415
2027	66,415
2028	66,415
2029	66,415
Total	265,659
Less: Amount for Interest	<u>(38,824)</u>
Present Value of Minimum Payments	<u>\$ 226,835</u>

Landfill Closure and Post-Closure Care Costs

The Town closed its landfill in 1999. State and federal laws and regulations require landfill closures to meet certain standards. Monitoring costs for the next 3 years are \$13,000 per year. These amounts are based on estimates which are subject to change due to inflation, technology, or applicable laws and regulations.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 8 FUND BALANCE

As of June 30, 2025, fund balances are composed of the following:

	General Fund	Capital Projects	Mill Rate Stabilization Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Permanent Fund Principal	\$ -	\$ -	\$ -	\$ 41,914	\$ 41,914
Total Nonspendable	-	-	-	41,914	41,914
Restricted for:					
Housing Rehab	-	-	-	104,356	104,356
Endowments	-	-	-	20,985	20,985
Miscellaneous Grants	-	-	-	290,711	290,711
Education Grants	-	-	-	394,199	394,199
Student Activities	-	-	-	441,135	441,135
Student Scholarships	-	-	-	204,482	204,482
Total Restricted	-	-	-	1,455,868	1,455,868
Committed for:					
Education	212,301	783,738	-	15,572	1,011,611
Senior Center	-	-	-	29,580	29,580
Library Management	-	-	-	4,570	4,570
Mill Rate Stabilization	-	-	3,489,099	-	3,489,099
Parks and Recreation Center	-	432,414	-	296,891	729,305
Capital and Nonrecurring Projects	-	-	-	-	-
Total Committed	212,301	1,216,152	3,489,099	346,613	5,264,165
Unassigned	5,488,507	(4,370,424)	-	-	1,118,083
Total Fund Balances	\$ 5,700,808	\$ (3,154,272)	\$ 3,489,099	\$ 1,844,395	\$ 7,880,030

NOTE 9 RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; public official liabilities; police liability; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Generally, the Town obtains commercial insurance for these risks.

Due to the Town and Board of Education experiencing significant increases in claims payments over prior fiscal years, the Town converted to a fully insured plan for health insurance in July 2018.

The Town has been utilizing residual net position to offset current increases in health care costs. As of June 30, 2025 the remaining balance in the fund is \$53,758.

Commitments and Litigation

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

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

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS

Pension Plans

A. Plan Description

Summary

The Town is the administrator of a single employer defined benefit Public Employee Retirement System (PERS) established by Town Ordinance and administered by the Town to provide pension benefits for its employees. Plan provisions are determined by the various union contracts. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund. The PERS does not issue a stand-alone report.

Valuation of Investments

Investments are valued at fair value. There are no investments of 5.0% or greater in any one organization.

Classes of Employees Covered

As of July 1, 2025, the plan's membership consists of:

Retired Members or Beneficiaries Currently Receiving Benefits	124
Vested Terminated Members Entitled to But Not Yet Receiving Benefits	34
Non-Vested Terminated Employees Due a Refund	3
Active Members	<u>36</u>
Total Participants	<u><u>197</u></u>

B. Benefit Provisions

Town and Public Works employees are eligible for a normal pension after attaining age 65 and shall be entitled to a retirement benefit equal to 1.5% of final average earnings multiplied by years of credited service. The maximum normal retirement benefits a member may receive is 50% of final average earnings. Noncertified Board of Education employees are eligible for a normal pension after attaining age 65 and shall be entitled to a retirement benefit equal to 1% of final average earnings multiplied by years of credited service, not exceeding 30 years. Police employees are eligible for a normal pension after attaining age 55 and 10 years of credited service or any age with 25 years of credited service, but not later than age 65. Fire employees are eligible for a normal pension after attaining age 55 and 10 years of credited service, but not later than age 65. Police and Fire employees shall be entitled to a retirement benefit equal to 2% of final average earnings multiplied by years of credited service. The maximum benefit to be received annually is 75% of final average earnings. Vesting of benefits occurs on or after 5 years of credited service for Town, Public Works, Police and Fire employees and on or after 10 years of credited service for noncertified Board of Education employees.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Plans (Continued)

C. Contributions

The Town's contributions are actuarially determined on an annual basis using the entry age normal cost method. The Town's contributions were 29.86% of covered payroll. Administration costs are financed from investment earnings. Employees are required to contribute 5% of earnings to the plan.

D. Assumed Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity - Large Cap	21.00%	3.20%
US Equity - Small/Mid Cap	11.00	3.00
Non-US Equity - Developed	15.00	5.00
Non-US Equity - Emerging	6.50	6.10
US Corporate Bonds - Core	37.00	2.40
US Corporate Bonds - Dynamic	4.00	2.60
US Treasuries (Cash)	3.00	0.50
Real Estate	2.50	4.30
Total	<u>100.00%</u>	

E. Net Pension Liability

For the year ended June 30, 2025, the Town recognized a net pension liability of \$2,359,299. The components of the net pension liability of the Town at June 30, 2025 were as follows:

Total Pension Liability	\$ 34,702,813
Plan Fiduciary Net Position	32,343,514
<u>Net Pension Liability</u>	<u>\$ 2,359,299</u>

Plan Fiduciary Net Position as a Percentage of the	
Total Pension Liability	93.20%
Covered Payroll	\$ 2,846,518
Net Pension Liability as a Percentage of the	
Covered Payroll	82.88%

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Plans (Continued)

E. Net Pension Liability (Continued)

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Increase (Decrease)	Net Pension Liability (a)-(b)
Balances as of July 1, 2024	\$ 34,603,397	\$ 30,443,916		\$ 4,159,481
Changes for the Year:				
Service Cost	335,813		-	335,813
Interest on Total Pension Liability	2,114,463		-	2,114,463
Differences Between Expected and Actual Experience	(101,163)		-	(101,163)
Employer Contributions	-	850,000		(850,000)
Member Contributions	-	136,925		(136,925)
Net Investment Income	-	3,174,493		(3,174,493)
Benefit Payments, Including Refund of Employee Contributions	(2,249,697)	(2,249,697)		-
Administrative Expenses	-	(12,123)		12,123
Net Changes	99,416	1,899,598		(1,800,182)
Balances as of June 30, 2025	<u>\$ 34,702,813</u>	<u>\$ 32,343,514</u>		<u>\$ 2,359,299</u>

F. Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 10.76%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

G. Actuarial Assumptions

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

Actuarial Method Used	Entry Age Actuarial Cost Method
Mortality Basis	PubG-2010 Public Plan Mortality for General Employees, Scale MP-2021
Inflation	2.30%
Salary Increases Including Inflation	4.00%
Investment Rate of Return	6.25%

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Plans (Continued)

H. Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2025 was 6.25%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the Town contributes at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all 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 pension liability.

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

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

	1% Decrease 5.25%	Rate 6.25%	1% Increase 7.25%
Net Pension Liability	<u>\$ 5,860,980</u>	<u>\$ 2,359,299</u>	<u>\$ (631,726)</u>

For the fiscal year ended June 30, 2025, the Town recognized pension expense of \$177,620. As of June 30, 2025, deferred outflows of resources and deferred inflows of resources related to pensions are reported as follows:

	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ (23,939)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	(527,338)
Total	\$ (551,277)

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

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Pension Plans (Continued)

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

<u>Year Ending June 30</u>	<u>Amount</u>
2026	\$ 696,710
2027	(552,626)
2028	(433,164)
2029	(262,197)
Total	<u><u>\$ (551,277)</u></u>

Connecticut State Teachers' Retirement System – Pension

A. 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 multiple employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

B. Benefit Provisions

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

Normal Retirement

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

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.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

C. Contributions

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

Employer (School Districts)

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

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the state was \$6,993,134 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.

D. 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	<u>70,947,117</u>
Total	<u><u>\$ 70,947,117</u></u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

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

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 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 \$8,137,787 in Exhibit II.

E. Actuarial Assumptions

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

Inflation	2.50%
Salary 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.

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 Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

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

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

Long-Term Rate of Return

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

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

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Connecticut State Teachers' Retirement System – Pension (Continued)

F. Discount Rate

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

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

The 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.

H. Pension Plan Fiduciary Net Position

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

I. Other Information

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

Employees Defined Contribution Plan

A. Plan Description

The Town has established a defined contribution plan for Non-Union Professionals hired after July 1, 2009; Town Hall Union employees hired after 7/1/2012; Supervisors Union employees hired after 7/1/2012; Nurses Union employees hired after 7/1/2013; Teamsters Union employees hired after 7/1/2012; Police Union employees hired after 7/1/2012; and Firefighters Union employees hired after 7/1/2013. It is a mandatory plan with no opt out. As of June 30, 2025, the plan was administered by Voya. The authority for establishing and amending plan provisions rests with the Town Council.

The Town matches up 5% of employee contributions for Nurses Union, Emergency Communication Services Union, and Town Hall Union, up to 6% for Supervisors Union, Teamsters Union, and Firefighters Union, and matches up to 10% for Police Union and department heads. Actual contributions to the plan for the year ended June 30, 2025 totaled \$1,298,817, which consisted of \$908,255 contributed by employees and \$390,562 contributed by the Town.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 EMPLOYEE RETIREMENT PLANS (CONTINUED)

Employees Defined Contribution Plan (Continued)

A. Plan Description (Continued)

The participants' employer contributions to their account are vested as follows:

Year 1	20 %
Year 2	40
Year 3	60
Year 4	80
Year 5	100

The Town's matching contributions for Non-Union Professionals are determined by a "Resolution Establishing Administrator/Department Head Benefits," as adopted by Town Council. The Town's matching contributions for union employees are determined by collective bargaining agreements.

The Board of Education has established a 403(b) plan, a defined contribution plan administered by OMNI. The plan is offered to employees of Ledyard Public Schools who are expected or scheduled to work 20 hours or more per week. Both pre and post tax options are available. Contributions are made through payroll deductions and participation is voluntary. Actual contributions to the plan for the year ended June 30, 2025 totaled \$879,919, which consisted of \$817,382 contributed by employees and \$62,536 contributed by the Board of Education.

In addition, the eligible employees can voluntarily contribute to the State of Connecticut 457 Plan, a defined contribution plan. Both pre and post tax options are available. Contributions are made through payroll deductions and participation is voluntary. For eligible Ledyard employees not covered by a defined benefit plan, the 457 participants are eligible for matching contributions to the Town's 401(a). The Town of Ledyard 401(a) Plan holds Town matching funds for employees who use the 457 Plan as their Town retirement plan. The 401(a) Plan currently is with Voya because the state plan will not accept the Town match due to the small size. Actual contributions to the plan for the year ended June 30, 2025 totaled \$174,909, which consisted of \$117,371 contributed by employees and \$57,538 contributed by the Town.

**TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS

Town OPEB Plan

A. Plan Description

The Town administers one single-employer, postretirement healthcare plan for the Board of Education, the Town OPEB plan. The plan provides medical benefits to eligible retirees and their spouses. The Town OPEB plan is administered by the Town. Plan provisions are determined by union contract and may be amended by union negotiations.

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. Administration costs are financed from current operations.

B. Benefit Provided

The Town plan provides for medical benefits for all eligible Board of Education retirees.

Eligibility

BOE Certified & Secretaries: An employee retiring shall be eligible to receive health benefits for self and spouse.

Normal Retirement

BOE Certified: Earlier of age 60 with 20 years of service or 35 years of service with no age requirement.

Secretaries: Age 65 with no service requirement.

Early Retirement

BOE Certified: Earliest of age 60 with 10 years of service, 25 years of service with no age requirement, or age 55 with 20 years of service.

Secretaries: Age 55 with 10 years of service.

Cost Sharing: Retirees must pay 100% of the blended pre-65 medical premium rate for self and spouse, less the \$2,640 annual.

CT Teachers' Retirement Board subsidy for BOE Certified.

Non-Medicare Retiree Plans: Board of Education Non-Medicare retirees receive Century Preferred or Lumenos HSA plans through Anthem.

These plans have both medical and prescription drug components.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Town OPEB Plan (Continued)

B. Benefit Provided (Continued)

Early Retirement

Medicare Retiree Plans: Board of Education Medicare retirees receive fully insured Anthem Group Medicare plans. The medical component is covered by a Medicare Supplemental Plan F and the prescription drug component is covered by a BlueScript plan. The employer liability for these Medicare retirees is \$-0-. The retiree pays the full premium. Employees Covered by Benefit Terms.

Membership in the plan consisted of the following at July 1, 2024:

Retired Members or Beneficiaries Currently	
Receiving Benefits	35
Active Members	235
Total	<u><u>270</u></u>

C. Total OPEB Liability

The Town's total OPEB liability of \$10,223,957 reported at June 30, 2025 was measured as of June 30, 2024 and was determined by an actuarial valuation as of that date.

D. Actuarial Assumptions and Other Inputs

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

Salary Increases	3.50%
Discount Rate	5.20%
Health Care Cost Trend Rates	7.0% initially, grading down to 5.0% in 2028
Inflation Rate	2.00%
Mortality Rates	Varies by Group

The discount rate was based on the 20-year tax exempt GO municipal bond index.

Mortality Rates for Teachers and Administrators are the RP-2014 White Collar tables projected generationally using scale MP-2021.

Mortality Rates for Secretaries are the RP-2014 total dataset tables adjusted to 2006 and projected generationally using scale MP-2021.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Town OPEB Plan (Continued)

D. Actuarial Assumptions and Other Inputs (Continued)

These tables reasonably reflect the projected mortality experience of the Plan as of the measurement date. Explicit mortality improvement projection was made to reasonably reflect future mortality improvement.

E. Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balances as of July 1, 2024	<u>\$ 13,455,062</u>
Changes for the Year:	
Change in Accounting Principle*	483,881
Service Cost	434,170
Interest on Total OPEB Liability	460,647
Difference Between Expected and Actual	
Experience	(1,561,064)
Changes in Assumptions or Other Inputs	(2,662,080)
Benefit Payments	<u>(386,659)</u>
Net Changes	<u>(3,231,105)</u>
Balances as of June 30, 2025	<u><u>\$ 10,223,957</u></u>

**Adjustment is the result of an accounting principle change to align the measurement date to the fiscal year.*

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% as of June 30, 2024 measurement date to 5.20% as of June 30, 2025 measurement date.

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

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

	1% Decrease in Discount Rate 4.20%	Current Discount Rate 5.20%	1% Increase in Discount Rate 6.20%
Total OPEB Liability	<u><u>\$ 11,832,437</u></u>	<u><u>\$ 10,223,957</u></u>	<u><u>\$ 8,930,887</u></u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Town OPEB Plan (Continued)

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

The following presents the total OPEB liability of the Town using the current health care cost trend rate, 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 1 percentage point lower or 1 percentage point higher than the current health care cost trend rates:

	1% Decrease in Healthcare Cost Trend Rates (5.00% decreasing to 4.00%)	Current Healthcare Cost Trend Rates (6.50% decreasing to 5.00%)	1% Increase in Healthcare Cost Trend Rates (7.50% decreasing to 6.00%)
Total OPEB Liability	<u>\$ 8,733,637</u>	<u>\$ 10,223,957</u>	<u>\$ 12,140,768</u>

H. 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 (revenue) of \$(74,295). At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	<u>\$ 1,038,874</u>	<u>\$ 3,444,434</u>
Changes of Assumptions or Other Inputs	<u>1,962,458</u>	<u>5,222,617</u>
Total	<u><u>\$ 3,001,332</u></u>	<u><u>\$ 8,667,051</u></u>

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	\$ (969,112)
2027	(619,282)
2028	(596,946)
2029	(553,103)
2030	(525,230)
Thereafter	<u>(2,402,046)</u>
Total	<u><u>\$ (5,665,719)</u></u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Connecticut State Teacher's Retirement Plan – OPEB

A. 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 multiple-employer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a Section 10-183 (t) 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.

B. Benefit Provisions

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

Any member who is not currently participating in Medicare Parts A & 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 and has not increased since July 1996. 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.

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.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Connecticut State Teacher's Retirement Plan – OPEB (Continued)

B. Benefit Provisions (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.

C. 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.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Connecticut State Teacher's Retirement Plan – OPEB (Continued)

D. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183t, 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 \$97,910 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.

E. 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	<u>14,553,693</u>
Total	<u><u>\$ 14,553,693</u></u>

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Connecticut State Teacher's Retirement Plan – OPEB (Continued)

E. 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 of 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 \$201,651 in Exhibit II.

F. 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 rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change;
- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Connecticut State Teacher's Retirement Plan – OPEB (Continued)

F. Actuarial Assumptions (Continued)

The changes in the benefit terms since the prior year are as follows:

- There were no changes in the benefit terms since the prior year

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

G. 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, 2023, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase 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.

**TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Connecticut State Teacher's Retirement Plan – OPEB (Continued)

H. 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.

I. OPEB Plan Fiduciary Net Position

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

J. Other Information

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

NOTE 12 SUBSEQUENT EVENTS

In August 2025, the Town issued \$8,500,000 in general obligation bond anticipation notes. The proceeds to be used for various school projects. The bond anticipation notes will be payable in August 2026 at an interest rate of 3.75%.

NOTE 13 ACCOUNTING CHANGES

A. Changes to or Within Financial Reporting Entity

Change in Fund Presentation from Nonmajor to Major

The Mill Rate Stabilization Fund previously met the criteria to be reported as a nonmajor governmental fund. However, effective July 1, 2024, the fund no longer met the criteria to be reported as a nonmajor governmental fund and is reported as a major governmental fund for the fiscal year ended June 30, 2025. The effect of that change to or within the financial reporting entity is shown in the table below:

TOWN OF LEDYARD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 13 ACCOUNTING CHANGES (CONTINUED)

A. Changes to or Within Financial Reporting Entity (Continued)

Change in Fund Presentation from Nonmajor to Major (Continued)

	<u>Balances as Previously Reported June 30, 2024</u>	<u>Change to or Within the Financial Reporting Entity</u>	<u>Balance as Adjusted July 1, 2024</u>
Governmental Funds:			
Mill Rate Stabilization Fund	\$ -	\$ 3,449,279	\$ 3,449,279
Nonmajor Governmental Funds	3,449,279	(3,449,279)	-
Total Governmental Funds	<u>\$ 3,449,279</u>	<u>\$ -</u>	<u>\$ 3,449,279</u>

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2025
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property Taxes	\$ 46,778,010	\$ 46,778,010	\$ 46,435,916	\$ (342,094)
Intergovernmental Revenues	16,611,389	16,611,389	17,611,570	1,000,181
Charges for Services	2,241,174	2,241,174	2,367,093	125,919
Investment Income	550,000	550,000	1,031,324	481,324
Total Revenues	<u>66,180,573</u>	<u>66,180,573</u>	<u>67,445,903</u>	<u>1,265,330</u>
EXPENDITURES				
Current:				
General Government	1,683,280	1,781,280	1,715,198	66,082
Department of Finance	840,886	840,886	946,298	(105,412)
Commissions	49,486	49,486	28,773	20,713
Boards and Committees	2,500	2,500	2,348	152
Fixed Charges	10,967,525	10,996,760	10,783,513	213,247
Public Safety	4,733,022	4,733,022	4,874,505	(141,483)
Health and Welfare	598,892	598,892	570,251	28,641
Public Works	3,193,638	3,251,458	3,148,282	103,176
Library	627,909	627,909	581,263	46,646
Parks and Recreation	617,484	617,484	582,533	34,951
Education	38,369,823	38,369,823	38,157,522	212,301
Debt Service	3,528,671	3,528,671	3,480,295	48,376
Total Expenditures	<u>65,213,116</u>	<u>65,398,171</u>	<u>64,870,781</u>	<u>527,390</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	967,457	782,402	2,575,122	1,792,720
OTHER FINANCING SOURCES (USES)				
Appropriation of Fund Balance	-	560,929	-	(560,929)
Transfers In	1,250,000	1,250,000	250,000	(1,000,000)
Transfers Out	(2,217,457)	(2,593,331)	(2,629,849)	(36,518)
Total Other Financing Sources (Uses)	<u>(967,457)</u>	<u>(782,402)</u>	<u>(2,379,849)</u>	<u>(1,597,447)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ -	\$ -	\$ 195,273	\$ 195,273
Budget to GAAP Reconciliation:				
	Revenues and Other Financing Sources	Expenditures and Other Financing Uses		
Balance, Budgetary Basis	\$ 67,695,903	\$ 67,500,630		
GASB 87 implementation:				
Lease Proceeds	182,129	-		
Capital Outlay	-	182,129		
State Teachers' Retirement On-Behalf Contributions:				
OPEB Plan	97,910	97,910		
Pension Plan	<u>6,993,134</u>	<u>6,993,134</u>		
Balance, GAAP Basis	<u>\$ 74,969,076</u>	<u>\$ 74,773,803</u>		

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS – PENSION PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	\$ 335,813	\$ 322,897	\$ 506,565	\$ 473,992	\$ 539,906	\$ 519,140	\$ 736,078	\$ 714,639	\$ 741,107	\$ 741,107
Interest on Total Pension Liability	2,114,463	2,096,715	2,073,323	1,967,983	1,937,222	1,881,133	1,875,490	1,790,419	1,656,779	1,532,686
Changes of Benefit Terms										
Differences Between Expected and Actual Experience	(101,163)	-	(35,422)	1,018,759	(295,985)	-	(699,447)	-	296,538	(458,860)
Changes of Assumptions	-	-	-	57,714	81,306	-	(249,585)	-	543,177	452,665
Benefit Payments, Including Refunds of Member Contributions	(2,249,697)	(2,050,443)	(1,924,510)	(1,808,430)	(1,603,369)	(1,468,176)	(1,242,451)	(1,088,259)	(1,057,539)	(986,331)
Net Change in Total Pension Liability	99,416	369,169	619,956	1,710,018	659,080	932,097	420,085	1,416,799	2,180,062	1,281,267
Total Pension Liability - Beginning	34,603,397	34,234,228	33,614,272	31,904,254	31,245,174	30,313,077	29,892,992	28,476,193	26,296,131	25,014,864
Total Pension Liability - Ending	34,702,813	34,603,397	34,234,228	33,614,272	31,904,254	31,245,174	30,313,077	29,892,992	28,476,193	26,296,131
Plan Fiduciary Net Position:										
Contributions - Employer	850,000	950,000	1,163,197	1,131,235	1,098,284	1,066,295	1,278,376	1,278,376	1,057,393	1,109,374
Contributions - Members	136,925	153,241	176,215	195,857	209,846	219,562	239,257	256,415	275,250	273,142
Net Investment Income	3,174,493	2,624,359	2,273,767	(4,381,254)	6,258,426	1,113,027	1,076,186	1,588,925	1,798,778	116,850
Benefit Payments, Including Refunds of Member Contributions	(2,249,697)	(2,050,443)	(1,924,510)	(1,808,430)	(1,603,369)	(1,468,176)	(1,242,451)	(1,088,259)	(1,057,539)	(986,331)
Administrative Expense	(12,123)	(23,992)	(18,352)	(30,812)	(15,687)	(32,004)	(14,910)	(30,473)	(19,389)	(49,939)
Net Change in Plan Fiduciary Net Position	1,899,598	1,653,165	1,670,317	(4,893,404)	5,947,500	898,704	1,336,458	2,004,984	2,054,493	463,096
Plan Fiduciary Net Position - Beginning	30,443,916	28,790,751	27,120,434	32,013,838	26,066,338	25,167,634	23,831,176	21,826,192	19,771,699	19,308,603
Plan Fiduciary Net Position - Ending	32,343,514	30,443,916	28,790,751	27,120,434	32,013,838	26,066,338	25,167,634	23,831,176	21,826,192	19,771,699
Net Pension (Asset) Liability - Ending	\$ 2,359,299	\$ 4,159,481	\$ 5,443,477	\$ 6,493,838	\$ (109,584)	\$ 5,178,836	\$ 5,145,443	\$ 6,061,816	\$ 6,650,001	\$ 6,524,432
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.20%	87.98%	80.68%	100.34%	100.34%	83.43%	83.03%	79.72%	76.65%	75.19%
Covered Payroll	\$ 2,846,518	\$ 3,202,829	\$ 3,728,801	\$ 4,254,773	\$ 4,173,503	\$ 4,731,754	\$ 4,903,307	\$ 5,681,648	\$ 5,809,341	\$ 5,884,824
Net Pension Liability as a Percentage of Covered Payroll	82.88%	129.87%	145.98%	152.62%	-2.63%	109.45%	104.94%	106.69%	114.47%	110.87%
Discount Rate at End of Year	6.25%									

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTION – PENSION PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution*	\$ 689,218	\$ 669,144	\$ 1,129,512	\$ 1,096,614	\$ 1,098,284	\$ 1,066,295	\$ 1,278,376	\$ 1,241,142	\$ 1,057,393	\$ 1,026,595
Contributions in Relation to the Actuarially Determined Contribution	850,000	950,000	1,163,197	1,131,235	1,098,284	1,066,295	1,278,376	1,278,376	1,057,393	1,109,374
Contribution Deficiency (Excess)	\$ (160,782)	\$ (280,856)	\$ (33,685)	\$ (34,621)	\$ -	\$ -	\$ -	\$ (37,234)	\$ -	\$ (82,779)
Covered Payroll	2,846,518	3,202,829	3,728,801	4,254,773	4,173,503	4,731,754	4,903,307	5,681,648	5,809,341	5,884,824
Contributions as a Percentage of Covered Payroll	29.86%	29.66%	31.19%	26.59%	26.32%	22.53%	26.07%	22.50%	18.20%	18.85%

Notes to Schedule:

Valuation date: July 1, 2024
 Measurement date: June 30, 2025

Actuarially determined contribution rates are calculated based on actuarial valuation as of July 1 of the beginning of each fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Amortization of unfunded liability with 3.00% per year increase, closed
Remaining amortization period	9 years remaining as of July 1, 2024
Asset valuation method	Market value
Projected pay increases	4.00%
Investment rate of return	6.25%, net of pension plan investment expense

Mortality (healthy participants) PubG-2010(B) Public Plan Mortality for General Employees, Scale MP-2021

Mortality (disabled participants) PubG-2010(B) Public Plan Mortality for General Employees, Scale MP-2021

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS – PENSION PLAN
LAST TEN FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	10.76%	9.39%	8.55%	-14.01%	24.50%	4.34%	4.39%	6.96%	9.50%	0.81%

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY – TEACHERS RETIREMENT PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated With the Town	70,947,117	76,200,675	83,101,923	63,656,332	80,373,297	74,508,198	57,450,149	61,786,364	65,185,087	48,803,952
Total	\$ 70,947,117	\$ 76,200,675	\$ 83,101,923	\$ 63,656,332	\$ 80,373,297	\$ 74,508,198	\$ 57,450,149	\$ 61,786,364	\$ 65,185,087	\$ 48,803,952
Town's Covered Payroll	\$ 28,210,979	\$ 26,261,096	\$ 25,629,849	\$ 26,167,713	\$ 18,099,414	\$ 18,277,172	\$ 17,831,387	\$ 17,831,387	\$ 18,876,225	\$ 18,141,000
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.68%	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 for 6/30/2024 valuation									
Single Equivalent Amortization Period	25.9 years									
Asset Valuation Method	4-year smoothed market									
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 LEDYARD, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS – OPEB PLAN
LAST EIGHT FISCAL YEARS*

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

** There are no assets accumulated in a trust fund for the payment of OPEB liabilities

***Note: Beginning Net Position does not roll from the prior year as a result of an accounting principle change to align the measurement date to the fiscal year

Notes to Schedule:

Changes of Assumptions

The Discount rate changed from 3.54% to 3.65% at the end of the year
Medical trend and mortality rates were updated

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – TEACHERS RETIREMENT PLAN
LAST EIGHT FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated With the Town	<u>14,553,693</u>	<u>7,138,957</u>	<u>7,277,822</u>	<u>6,935,241</u>	<u>11,987,680</u>	<u>11,619,974</u>	<u>11,484,671</u>	<u>15,903,105</u>
Total	<u>\$ 14,553,693</u>	<u>\$ 7,277,822</u>	<u>\$ 6,935,241</u>	<u>\$ 11,987,680</u>	<u>\$ 11,619,974</u>	<u>\$ 11,484,671</u>	<u>\$ 11,484,671</u>	<u>\$ 15,903,105</u>
Town's Covered Payroll	\$ 28,210,979	\$ 25,629,849	\$ 18,099,414	\$ 18,099,414	\$ 18,277,172	\$ 17,831,387	\$ 18,876,225	\$ 18,876,225
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.40%	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

Notes to Schedule

Changes in benefit terms

There were no changes to benefit

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

Market 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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees, and grants from other governmental units.

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2025
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget -	
	Original		Final	Actual	Positive (Negative)
Property Taxes:					
Property Taxes, Current	\$ 46,166,010	\$ 46,166,010	\$ 45,892,340	\$ (273,670)	
Arrears	351,000	351,000	263,530	(87,470)	
Interest	234,000	234,000	232,610	(1,390)	
Suspense Tax Collections	11,000	11,000	35,972	24,972	
Liens	16,000	16,000	11,464	(4,536)	
Total Property Taxes	46,778,010	46,778,010	46,435,916	(342,094)	
Intergovernmental:					
Telephone Line Grants	25,000	25,000	37,643	12,643	
Pilot: State Property	931,157	931,157	1,022,896	91,739	
Disabled Reimbursement	1,000	1,000	1,185	185	
Civil Preparedness Reimb	15,600	15,600	17,550	1,950	
Additional Veterans Grant	4,300	4,300	3,163	(1,137)	
Miscellaneous State Grants		-	9,233	9,233	
Pequot Fund	1,391,000	1,391,000	1,390,000	(1,000)	
MV Property Tax Grant	330,933	330,933	352,343	21,410	
DUI Grant Reimbursement	8,000	8,000	-	(8,000)	
Dispatch Regionalization	92,000	92,000	103,671	11,671	
Pilot: Sr Housing Authority	8,200	8,200	8,653	453	
Federal Public Law 874	1,050,000	1,050,000	1,207,133	157,133	
Vo-Ag Stabilization Funding	850,000	850,000	1,508,652	658,652	
Education Cost Sharing	11,904,199	11,904,199	11,949,448	45,249	
Total Intergovernmental	16,611,389	16,611,389	17,611,570	1,000,181	
Charges for Services:					
Aco Fees	1,500	1,500	565	(935)	
Miscellaneous	50,000	50,000	386,344	336,344	
Red Wolf Antennae Lease	70,000	70,000	74,810	4,810	
Town Clerk Fees	112,000	112,000	112,312	312	
Zoning/Wetlands/Zba Fees	10,000	10,000	11,409	1,409	
Assessor's Fees	300	300	199	(101)	
Planning	5,000	5,000	1,706	(3,294)	
Other License/Permit Fee	750	750	1,629	879	
Town Clerk Dog License Fees	9,000	9,000	10,541	1,541	
Building Permit Fees	225,000	225,000	361,327	136,327	
Employee Health Co-Premiums	575,000	575,000	478,229	(96,771)	
WPCA - Contribution to Finance Office	40,000	40,000	40,000	-	
Lester House Rent	15,500	15,500	-	(15,500)	

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Actual	Variance with Final Budget - Positive (Negative)
	Original	Final			
Charges for Services (Continued):					
Fire Police Charges	\$ 500	\$ 500		\$ -	\$ (500)
Dispatch--Preston	30,500	30,500		30,500	-
Police OT	112,250	112,250		156,036	43,786
Gales Ferry Fire Police Charge	500	500		975	475
Permit Fee	5,040	5,040		4,195	(845)
Records Fee	2,000	2,000		2,133	133
Shared Services - Assessor	36,800	36,800		30,133	(6,667)
Senior Center Fees	-	-		1,346	1,346
Tipping Fees	40,000	40,000		36,049	(3,951)
Shared Services	-	-		96,000	96,000
Library Fees	5,500	5,500		7,250	1,750
Program Registration Fees	3,000	3,000		3,066	66
Vo Ag Tuition	764,176	764,176		403,649	(360,527)
Special Education Tuition	82,086	82,086		54,010	(28,076)
Non-Resident Tuition	44,772	44,772		62,680	17,908
Total Charges for Services	2,241,174	2,241,174		2,367,093	125,919
Investment Income:					
Interest on Deposits	550,000	550,000		1,031,324	481,324
Total Revenues	66,180,573	66,180,573		67,445,903	1,265,330
Other Financing Sources:					
Appropriation of Fund Balance	-	560,929		-	(560,929)
Transfers In:					
Contribution from Other Funds	1,000,000	1,000,000		-	(1,000,000)
Water and Sewer Funds	250,000	250,000		250,000	-
Total Other Financing Sources	1,250,000	1,810,929		250,000	(1,560,929)
Total Revenues and Other Financing Sources	\$ 67,430,573	\$ 67,991,502		\$ 67,695,903	\$ (295,599)

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2025
(NON-GAAP BUDGETARY BASIS)

EXPENDITURES	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
General Government:				
Town Council	\$ 195,369	\$ 205,369	\$ 143,702	\$ 61,667
Mayor's Office	190,723	200,723	199,378	1,345
Administrative Support	129,700	129,700	126,888	2,812
Legal Services	20,000	20,000	31,560	(11,560)
Probate	10,000	10,000	9,000	1,000
Registrar of Voters	46,800	46,800	48,000	(1,200)
Election Expense	54,271	54,271	53,966	305
Human Resources Staff	134,650	134,650	115,822	18,828
Land Use	357,546	435,546	433,699	1,847
Town Clerk	157,087	157,087	159,186	(2,099)
Manager Information Systems	387,134	387,134	393,997	(6,863)
Total General Government	1,683,280	1,781,280	1,715,198	66,082
Department of Finance:				
Finance Office	505,449	505,449	505,647	(198)
Assessor's Office	180,932	180,932	167,143	13,789
Tax Collector	154,505	154,505	273,508	(119,003)
Total Department of Finance	840,886	840,886	946,298	(105,412)
Commissions:				
Conservation	3,575	3,575	2,000	1,575
Historic District	33,700	33,700	16,264	17,436
Inland Wetland and Water Course	500	500	245	255
Planning	3,500	3,500	2,610	890
Economic Development	8,211	8,211	7,654	557
Total Commissions	49,486	49,486	28,773	20,713
Boards and Committees:				
Zoning Board of Appeals	500	500	370	130
Cemetery Committee	2,000	2,000	1,978	22
Total Boards and Commissions	2,500	2,500	2,348	152
Fixed Charges:				
Health Care - General Government	1,046,150	1,046,150	922,439	123,711
Health Care - Board of Education	5,193,830	5,193,830	5,403,215	(209,385)
Health Care - Board of Education Retiree	575,000	575,000	470,868	104,132
Health Care - Firefighters	125,900	125,900	124,449	1,451
Health Care - Teamster	410,000	431,800	427,740	4,060
Health Care Waivers	275,000	275,000	237,709	37,291
Benefits Consultant	10,000	10,000	-	10,000
Worker's Compensation - General Government	143,790	143,790	99,424	44,366
Worker's Compensation - Education	340,660	340,660	298,271	42,389
Unemployment Compensation	7,500	7,500	12,956	(5,456)
Retirement	850,000	850,000	850,000	-
Defined Contribution Plan	455,000	458,010	578,058	(120,048)
Retirement Cash Out	75,000	75,000	95,115	(20,115)
Contractual Allowances	73,500	73,500	43,323	30,177
Social Security	680,000	684,425	646,957	37,468
Salary and Benefit Adjustment	113,000	113,000	20,367	92,633
Property Insurance	546,775	546,775	509,397	37,378
Miscellaneous Employee Expenses	24,000	24,000	21,016	2,984
Life / A D & D / Disability Insurance	22,420	22,420	22,209	211
Total Fixed Charges	10,967,525	10,996,760	10,783,513	213,247

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2025
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Public Safety:				
Police	\$ 3,007,655	\$ 3,007,655	\$ 3,159,257	\$ (151,602)
Gales Ferry Fire	219,094	219,094	210,833	8,261
Ledyard Fire Company	128,000	128,000	127,791	209
Dispatch	669,249	669,249	710,250	(41,001)
Fire Marshal	101,116	101,116	91,523	9,593
Administrator of Emergency Services	487,883	487,883	463,388	24,495
Emergency Management	20,450	20,450	15,820	4,630
Animal Control	99,575	99,575	95,643	3,932
Total Public Safety	4,733,022	4,733,022	4,874,505	(141,483)
Health and Welfare				
Department of Health:				
Health District	116,400	116,400	116,400	-
Public Health Nursing	10,000	10,000	10,000	-
School Nursing	472,492	472,492	443,851	28,641
Total Department of Health	598,892	598,892	570,251	28,641
Total Health and Welfare	598,892	598,892	570,251	28,641
Public Works:				
Administration	212,210	190,471	190,471	-
Highway	1,249,527	1,235,879	1,143,169	92,710
Vehicle Maintenance	287,051	380,349	380,122	227
Road Upkeep	184,800	221,310	221,308	2
Property Maintenance	86,050	96,491	96,220	271
Sanitation	1,174,000	1,126,958	1,116,992	9,966
Total Public Works	3,193,638	3,251,458	3,148,282	103,176
Library	627,909	627,909	581,263	46,646
Parks and Recreation and Senior Center	617,484	617,484	582,533	34,951
Education	38,369,823	38,369,823	38,157,522	212,301
Debt Service	3,528,671	3,528,671	3,480,295	48,376
Total Expenditures	65,213,116	65,398,171	64,870,781	527,390
OTHER FINANCING USES				
Transfers Out - Capital Nonrecurring	1,791,098	2,166,972	2,203,490	(36,518)
Transfers Out - Water and Sewer for Debt Service	426,359	426,359	426,359	-
Total Other Financing Sources Uses	2,217,457	2,593,331	2,629,849	(36,518)
Total Expenditures and Other Uses	\$ 67,430,573	\$ 67,991,502	\$ 67,500,630	\$ 490,872

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Library Commission – This fund is used to account for the library support services.

Cafeteria – This fund is used to account for the activities associated with the operations of the School Lunch Programs.

Education Grants – This fund is used to account for the activities of various state and federal educational related grants.

STARS Fund – This fund is used to account for the STARS Program.

Student Activities – This fund is used to account for the various student activity accounts.

Student Scholarships – This fund is used to account for the various student scholarships.

Miscellaneous Grants and Donations – This fund is used to account for miscellaneous state grant activities.

Senior Center – This fund is used to account for the Senior Center activities.

Parks and Recreation – This fund is used to account for the activity of various recreation programs sponsored by the Town.

Mill Rate Stabilization Fund – This fund is used to account for bond premiums to be used to pay future debt service.

Housing Rehab Program – This fund is used to account for housing rehab grants and related loans.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting Town's programs.

TOWN OF LEDYARD, CONNECTICUT
COMBINING BALANCE SHEET
JUNE 30, 2025

		Special Revenue Funds					
		Library Commission	Cafeteria	Education Grants	STARS Fund	Student Activities	Student Scholarships
ASSETS							
Cash and Cash Equivalents		\$ -	\$ 396,512	\$ 1,137,965	\$ 128,040	\$ 443,966	\$ 204,482
Receivables, Net:							
Loans		-	-	-	-	-	-
Due from Other Governments		-	81,509	175,320	-	-	-
Other Receivables		71	-	-	-	-	-
Due from Other Funds		4,624	-	-	-	-	-
Total Assets		\$ 4,695	\$ 478,021	\$ 1,313,285	\$ 128,040	\$ 443,966	\$ 204,482
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable		\$ 125	\$ 247,988	\$ 158,520	\$ -	\$ 2,750	\$ -
Accrued Payroll and Other Liabilities		-	-	-	-	-	-
Due to Other Funds		-	33,804	638,960	112,468	81	-
Unearned Revenue		-	22,314	142,916	-	-	-
Total Liabilities		125	304,106	940,396	112,468	2,831	-
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue		-	-	152,605	-	-	-
FUND BALANCES							
Nonspendable		-	-	-	-	-	-
Restricted		-	173,915	220,284	-	441,135	204,482
Committed		4,570	-	-	15,572	-	-
Unassigned		-	-	-	-	-	-
Total Fund Balances		4,570	173,915	220,284	15,572	441,135	204,482
Total Liabilities, Deferred Inflows of Resources, and Fund Balances		\$ 4,695	\$ 478,021	\$ 1,313,285	\$ 128,040	\$ 443,966	\$ 204,482

TOWN OF LEDYARD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2025

	Miscellaneous Grants and Donations	Special Revenue Funds				Permanent Funds		Total
		Senior Center	Parks and Recreation	Mill Rate Stabilization Fund	Housing Rehab Program	Endowment Fund		
ASSETS								
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,310,965
Receivables, Net:								
Loans	-	-	-	-	-	626,030	-	626,030
Due from Other Governments	-	-	-	-	-	-	-	256,829
Other Receivables	2,154	944	5,643	-	-	-	-	8,812
Due from Other Funds	303,281	29,884	319,205	-	104,356	62,899	-	824,249
Total Assets	\$ 305,435	\$ 30,828	\$ 324,848	\$ -	\$ 730,386	\$ 62,899	\$ -	\$ 4,026,885
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 10,544	\$ 1,248	\$ 6,690	\$ -	\$ -	\$ -	\$ -	\$ 427,865
Accrued Payroll and Other Liabilities	-	-	21,267	-	-	-	-	21,267
Due to Other Funds	-	-	-	-	-	-	-	785,313
Unearned Revenue	4,180	-	-	-	-	-	-	169,410
Total Liabilities	14,724	1,248	27,957	-	-	-	-	1,403,855
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue	-	-	-	-	-	626,030	-	778,635
FUND BALANCES								
Nonspendable							41,914	41,914
Restricted	290,711	-	-	-	-	104,356	20,985	1,455,868
Committed		29,580	296,891	-	-	-	-	346,613
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	290,711	29,580	296,891	-	104,356	62,899	-	1,844,395
Total Liabilities, Deferred Infloows of Resources, and Fund Balances	\$ 305,435	\$ 30,828	\$ 324,848	\$ -	\$ 730,386	\$ 62,899	\$ -	\$ 4,026,885

TOWN OF LEDYARD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds					
	Library Commission	Cafeteria	Education Grants	STARS Fund	Student Activities	Student Scholarships
REVENUES						
Intergovernmental Revenues	\$ 2,564	\$ 489,571	\$ 2,962,468	\$ -	\$ 85,469	\$ -
Charges for Services	- -	483,693	- -	123,523	- -	- -
Investment Income	- -	3,089	- -	- -	- -	127
Contributions	2,371	- -	- -	- -	- -	41,574
Other	- -	- -	- -	- -	- -	- -
Total Revenues	4,935	976,353	2,962,468	123,523	85,469	41,701
EXPENDITURES						
General Government	- -	- -	- -	- -	- -	- -
Public Works	- -	- -	- -	- -	- -	- -
Health and Welfare	- -	- -	- -	- -	- -	- -
Library	32,718	- -	- -	- -	- -	- -
Parks and Recreation	- -	- -	- -	- -	- -	- -
Education	- -	1,043,059	2,867,183	112,615	77,986	26,870
Total Expenditures	32,718	1,043,059	2,867,183	112,615	77,986	26,870
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(27,783)	(66,706)	95,285	10,908	7,483	14,831
OTHER FINANCING SOURCES (USES)						
Transfers In	- -	- -	- -	- -	- -	- -
Total Other Financing Sources (Uses)	- -	- -	- -	- -	- -	- -
NET CHANGE IN FUND BALANCE	(27,783)	(66,706)	95,285	10,908	7,483	14,831
Fund Balance - Beginning of Year, As Originally Reported	32,353	240,621	124,999	4,664	433,652	189,651
Adjustment - Change Within Financial Reporting Entity Reporting Entity (Nonmajor to Major Fund)	- -	- -	- -	- -	- -	- -
Fund Balance - Beginning of Year, As Adjusted	32,353	240,621	124,999	4,664	433,652	189,651
FUND BALANCE - END OF YEAR	\$ 4,570	\$ 173,915	\$ 220,284	\$ 15,572	\$ 441,135	\$ 204,482

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

	Special Revenue Funds						Permanent Funds			Total
	Miscellaneous	Grants and Donations	Senior Center	Parks and Recreation	Mill Rate Stabilization Fund	Housing Rehab Program	Endowment Fund	Elimination		
REVENUES										
Intergovernmental Revenues	\$ 10,601	\$ -	\$ -	\$ -	\$ -	\$ 85,142	\$ -	\$ -	\$ 3,550,346	
Charges for Services	56,008	16,613		274,971		42,340			1,082,617	
Investment Income	-	-		-		370			3,586	
Contributions	52,634	887		571		-			98,037	
Other	36,848	-		-		-			36,848	
Total Revenues	156,091	17,500		275,542		127,852			4,771,434	
EXPENDITURES										
General Government	95,555	-		-		82,025	-		177,580	
Public Works	-	-		-		-	1,200		1,200	
Health and Welfare	-	11,114		-		-			11,114	
Library	-	-		-		-			32,718	
Parks and Recreation	-	-		251,959		-			251,959	
Education	-	-		-		-			4,127,713	
Total Expenditures	95,555	11,114		251,959		82,025	1,200		4,602,284	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES										
	60,536	6,386		23,583		-	45,827	(1,200)	-	169,150
OTHER FINANCING SOURCES (USES)										
Transfers In	2,390	-		-		-	-		2,390	
Total Other Financing Sources (Uses)	2,390	-		-		-	-		2,390	
NET CHANGE IN FUND BALANCE										
	62,926	6,386		23,583		-	45,827	(1,200)	-	171,540
Fund Balance - Beginning of Year, As Originally Reported	227,785	23,194		273,308		3,449,279	58,529	64,099	-	5,122,134
Adjustment - Change Within Financial Reporting Entity Reporting Entity (Nonmajor to Major Fund)	-	-		-		(3,449,279)	-	-	-	(3,449,279)
Fund Balance - Beginning of Year, As Adjusted	227,785	23,194		273,308		58,529	64,099	-	-	1,672,855
FUND BALANCE - END OF YEAR										
	\$ 290,711	\$ 29,580		\$ 296,891		\$ 104,356	\$ 62,899	\$ -	\$ 1,844,395	

TOWN OF LEDYARD, CONNECTICUT
PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING
YEAR ENDED JUNE 30, 2025

Grand List of October 1,	Uncollected Taxes July 01, 2024	Current Levy	Lawful Corrections						Adjusted Tax Levy	Collections				Uncollected Taxes June 30, 2025
			Additions	Deletions	Transfers to Suspense		Taxes	Interest Liens and Other Fees		Total				
2008	\$ 1,289	\$ -	\$ -	\$ 1,289	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	1,931	-	-	197	-	-	1,734	-	85	-	85	-	-	1,734
2010	1,963	-	-	172	-	-	1,791	-	-	-	-	-	-	1,791
2011	1,963	-	-	172	-	-	1,791	-	-	-	-	-	-	1,791
2012	1,982	-	-	174	-	-	1,808	-	-	-	-	-	-	1,808
2013	2,101	-	-	184	-	-	1,917	-	-	-	-	-	-	1,917
2014	2,526	-	128	704	-	-	1,950	-	-	-	-	-	-	1,950
2015	2,863	-	310	659	-	-	2,514	311	33	344	-	-	-	2,203
2016	4,723	-	533	1,007	-	-	4,249	254	5	259	-	-	-	3,995
2017	4,801	-	174	708	-	-	4,267	174	-	174	-	-	-	4,093
2018	5,100	-	-	724	-	-	4,376	-	-	-	-	-	-	4,376
2019	10,307	-	-	722	-	-	9,585	-	-	-	-	-	-	9,585
2020	116,055	-	11,096	25,088	81,239	-	20,824	5,820	11,052	16,872	-	-	-	15,004
2021	191,530	-	3,745	6,739	-	-	188,536	61,310	25,602	86,912	-	-	-	127,226
2022	400,891	-	4,555	23,803	1,401	-	380,242	182,802	41,696	224,498	-	-	-	197,705
Suspense	-	-	23,805	-	-	-	23,805	23,805	32,300	56,105	-	-	-	-
Total Prior Years	750,025	-	44,346	62,342	82,640	-	649,389	274,476	110,773	385,249	-	-	-	375,178
2023	-	46,409,673	23,034	221,995	5,497	46,205,215	45,817,221	137,421	45,954,642	-	-	-	-	387,994
Total All Years	\$ 750,025	\$ 46,409,673	\$ 67,380	\$ 284,337	\$ 88,137	\$ 46,854,604	\$ 46,091,697	\$ 248,194	\$ 46,339,891	\$ 763,172	-	-	-	-

STATISTICAL SECTION

TABLE 1

TOWN OF LEDYARD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2025	2024	2023	2022	2021*	2020	2019	2018	2017	2016
Governmental Activities:										
Net Investment in Capital Assets	\$ 80,743,352	\$ 68,582,500	\$ 65,901,683	\$ 63,467,397	\$ 64,912,397	\$ 73,616,004	\$ 72,488,686	\$ 59,139,003	\$ 36,887,375	\$ 32,446,476
Restricted	2,123,812	1,935,656	2,071,594	2,250,084	1,509,012	71,388	114,322	98,025	89,688	86,024
Unrestricted	(5,773,348)	2,860,992	2,284,645	3,199,312	(530,422)	(10,878,190)	(10,428,507)	(16,830,836)	(4,053,889)	1,841,913
Total Governmental Activities Net Position	<u>\$ 77,093,816</u>	<u>\$ 73,379,148</u>	<u>\$ 70,257,922</u>	<u>\$ 68,916,793</u>	<u>\$ 65,890,987</u>	<u>\$ 62,809,202</u>	<u>\$ 62,174,501</u>	<u>\$ 42,406,192</u>	<u>\$ 32,923,174</u>	<u>\$ 34,374,413</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 20,486,661	\$ 19,388,497	\$ 19,080,394	\$ 19,260,238	\$ 19,304,065	\$ 19,376,229	\$ 19,355,101	\$ 19,307,017	\$ 19,026,596	\$ 17,756,275
Restricted										
Unrestricted	1,498,752	1,619,662	1,895,811	2,306,400	2,624,599	2,695,743	2,971,057	3,176,314	3,663,267	4,571,446
Total Business-Type Activities Net Position	<u>\$ 21,985,413</u>	<u>\$ 21,008,159</u>	<u>\$ 20,976,205</u>	<u>\$ 21,566,638</u>	<u>\$ 21,928,664</u>	<u>\$ 22,071,972</u>	<u>\$ 22,326,158</u>	<u>\$ 22,483,331</u>	<u>\$ 22,689,863</u>	<u>\$ 22,327,721</u>
Primary Government:										
Net Investment in Capital Assets	\$ 101,230,013	\$ 87,970,997	\$ 84,982,077	\$ 82,727,635	\$ 84,216,462	\$ 92,992,233	\$ 91,843,787	\$ 78,446,020	\$ 55,913,971	\$ 50,202,751
Restricted	2,123,812	1,935,656	2,071,594	2,250,084	1,509,012	71,388	114,322	98,025	89,688	86,024
Unrestricted	(4,274,596)	4,480,654	4,180,456	5,505,712	2,094,177	(8,182,447)	(7,457,450)	(13,654,522)	(390,622)	6,413,359
Total Primary Government Net Position	<u>\$ 99,079,229</u>	<u>\$ 94,387,307</u>	<u>\$ 91,234,127</u>	<u>\$ 90,483,431</u>	<u>\$ 87,819,651</u>	<u>\$ 84,881,174</u>	<u>\$ 84,500,659</u>	<u>\$ 64,889,523</u>	<u>\$ 55,613,037</u>	<u>\$ 56,702,134</u>

Note: Schedule prepared on the accrual basis of accounting

* GASB No 84 *Fiduciary Activities* was implemented in FY2021

TABLE 2

TOWN OF LEDYARD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2025	2024	2023	2022	2021*	2020	2019	2018	2017	2016
EXPENSES										
Governmental Activities:										
General Government	\$ 13,628,999	\$ 14,854,941	\$ 13,669,015	\$ 12,769,431	\$ 11,207,407	\$ 4,621,025	\$ 4,139,867	\$ 4,624,570	\$ 3,122,791	\$ 3,081,618
Public Safety	5,663,275	5,589,563	5,543,403	4,969,198	4,689,253	5,530,934	5,695,733	5,510,755	4,949,467	4,522,182
Public Works	4,680,314	4,019,000	5,555,115	4,381,495	3,809,749	5,231,313	4,746,149	4,999,027	4,861,303	3,807,900
Health and Welfare	561,656	691,424	1,160,110	1,288,537	1,254,436	1,591,962	1,659,027	1,687,769	1,687,350	1,695,703
Library	656,765	625,803	602,156	558,913	548,815	758,924	803,364	906,984	757,668	729,312
Parks and Recreation	1,025,325	948,051	757,058	707,451	540,700	711,346	747,888	781,324	760,986	744,048
Education	53,799,028	50,103,303	50,386,213	45,505,397	49,728,084	51,526,083	42,487,065	47,423,080	49,021,396	45,260,236
Interest and Fiscal Charges	932,650	1,066,333	1,019,683	1,119,207	1,179,715	1,252,820	1,313,381	1,426,681	243,817	660,664
Total Governmental Activities Expenses	80,948,012	77,898,418	78,692,753	71,299,629	72,958,159	71,224,407	61,592,474	67,360,190	65,404,778	60,501,663
Business-Type Activities:										
Water Department	1,633,834	1,590,839	2,152,217	1,550,362	1,356,610	1,351,842	1,305,576	1,190,116	1,453,638	1,407,032
Sewer Department	775,466	690,561	730,098	708,209	639,656	674,686	710,371	700,326	573,881	916,605
Total Business-Type Activities Expenses	2,409,300	2,281,400	2,882,315	2,258,571	1,996,266	2,026,528	2,015,947	1,890,442	2,027,519	2,323,637
Total Primary Government Expenses	83,357,312	80,179,818	81,575,068	73,558,200	74,954,425	73,250,935	63,608,421	69,250,632	67,432,297	62,825,300
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	1,814,806	1,288,677	1,304,057	2,093,329	1,566,483	1,281,218	1,070,175	691,744	576,366	550,280
Public Safety	187,511	202,566	301,125	188,899	159,766	162,223	114,368	134,132	263,104	107,698
Public Works	208,149	116,368	106,778	137,012	159,256	128,979	173,837	73,928	1,039,560	1,090,729
Health and Welfare	17,959	39,898	580,751	676,504	891,434	962,411	855,802	960,254	92,146	603,191
Library	7,250	6,564	6,309	5,623	6,769	6,731	13,926	33,960	39,029	15,178
Parks and Recreation	383,755	328,102	327,163	332,649	229,943	186,164	291,033	163,572	217,812	213,244
Education	1,213,024	1,614,380	1,318,594	1,480,865	1,397,399	1,481,414	1,654,133	1,605,456	1,769,239	1,721,473
Operating Grants and Contributions	27,718,892	27,936,454	29,457,310	23,589,976	28,983,573	24,907,913	18,704,867	22,409,800	23,698,273	21,479,401
Capital Grants and Contributions	3,341,678	1,659,297	1,022,394	1,153,532	494,782	1,261,195	18,915,861	20,304,000	1,218,892	1,441,748
Total Governmental Activities Program Revenues	34,893,024	33,192,306	34,424,481	29,658,389	33,889,405	30,378,248	41,794,002	46,376,846	28,914,421	27,222,942
Business-Type Activities:										
Water Department	1,281,622	1,177,665	1,199,327	1,145,827	1,171,007	1,090,737	1,059,321	1,105,823	1,143,249	1,003,787
Sewer Department	527,902	522,401	500,740	483,825	469,857	426,943	493,517	448,041	460,784	463,464
Total Business-Type Activities Program Revenues	1,809,524	1,700,066	1,700,067	1,629,652	1,640,864	1,517,680	1,552,838	1,553,864	1,604,033	1,467,251
Total Governmental Activities Program Revenues	36,702,548	34,892,372	36,124,548	31,288,041	35,530,269	31,895,928	43,346,840	47,930,710	30,518,454	28,690,193
NET REVENUES (EXPENSES)										
Governmental Activities	(46,054,988)	(44,706,112)	(44,268,272)	(41,641,240)	(39,068,754)	(40,846,159)	(19,798,472)	(20,983,344)	(36,490,357)	(33,278,721)
Business-Type Activities	(599,776)	(581,334)	(1,182,248)	(628,919)	(355,402)	(508,848)	(463,109)	(336,578)	(423,486)	(856,386)
Total Governmental Net Expense	(46,654,764)	(45,287,446)	(45,450,520)	(42,270,159)	(39,424,156)	(41,355,007)	(20,261,581)	(21,319,922)	(36,913,843)	(34,135,107)

* Note - Starting with Fiscal Year 2021, fixed charges are reported with General Government function

TABLE 2
(CONTINUED)

TOWN OF LEDYARD, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2025	2024	2023	2021	2021*	2020	2019	2018	2017	2016
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	\$ 46,483,343	\$ 43,879,987	\$ 42,447,891	\$ 41,308,872	\$ 39,220,278	\$ 39,205,406	\$ 37,932,843	\$ 36,483,155	\$ 34,710,047	\$ 34,148,082
Grants and Contributions Not Restricted to Specific Programs	2,443,447	2,806,045	2,633,840	2,588,103	1,781,932	1,784,591	1,291,689	2,002,079	1,189,178	936,306
Gain (Loss) on Sale of Assets	50,574	36,656	86,357	59,607	-	-	-	-	-	-
Unrestricted Investment Earnings	1,034,910	1,011,433	576,836	44,038	25,011	296,310	525,804	177,048	55,535	39,923
Miscellaneous	75,091	385,380	165,447	928,065	52,275	38,842	118,512	36,640	57,471	143,447
Transfers	(317,709)	(292,163)	(300,970)	(261,639)	(209,088)	(251,150)	(302,067)	(326,308)	(785,737)	(627,593)
Total Governmental Activities	<u>49,769,656</u>	<u>47,827,338</u>	<u>45,609,401</u>	<u>44,667,046</u>	<u>40,870,408</u>	<u>41,073,999</u>	<u>39,566,781</u>	<u>38,372,614</u>	<u>35,226,494</u>	<u>34,640,165</u>
Business-Type Activities:										
Grants and Contributions Not Restricted to Specific Programs	1,259,321	321,125	289,982	2,235	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-
Unrestricted Investment Earnings	-	-	863	3,019	3,006	3,512	3,869	3,945	2,891	2,887
Transfers	317,709	292,163	300,970	261,639	209,088	251,150	302,067	326,308	785,737	627,593
Total Business-Type Activities	<u>1,577,030</u>	<u>613,288</u>	<u>591,815</u>	<u>266,893</u>	<u>212,094</u>	<u>254,662</u>	<u>305,936</u>	<u>330,253</u>	<u>788,628</u>	<u>630,480</u>
Total Governmental Activities	<u><u>\$ 51,346,686</u></u>	<u><u>\$ 48,440,626</u></u>	<u><u>\$ 46,201,216</u></u>	<u><u>\$ 44,933,939</u></u>	<u><u>\$ 41,082,502</u></u>	<u><u>\$ 41,328,661</u></u>	<u><u>\$ 39,872,717</u></u>	<u><u>\$ 38,702,867</u></u>	<u><u>\$ 36,015,122</u></u>	<u><u>\$ 35,270,645</u></u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 3,714,668	\$ 3,121,226	\$ 1,341,129	\$ 3,025,806	\$ 1,801,654	\$ 227,840	\$ 19,768,309	\$ 17,389,270	\$ (1,263,863)	\$ 1,361,444
Business-Type Activities	977,254	31,954	(590,433)	(362,026)	(143,308)	(254,186)	(157,173)	(6,325)	365,142	(225,906)
TOTAL CHANGES IN NET POSITION	<u>\$ 4,691,922</u>	<u>\$ 3,153,180</u>	<u>\$ 750,696</u>	<u>\$ 2,663,780</u>	<u>\$ 1,658,346</u>	<u>\$ (26,346)</u>	<u>\$ 19,611,136</u>	<u>\$ 17,382,945</u>	<u>\$ (898,721)</u>	<u>\$ 1,135,538</u>

Note: Schedule prepared on the accrual basis of accounting

TABLE 3

TOWN OF LEDYARD, CONNECTICUT
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
REVENUES										
Property Taxes, Interest, and Lien Fees	\$ 46,435,916	\$ 43,935,807	\$ 42,464,155	\$ 41,109,833	\$ 39,445,437	\$ 38,936,179	\$ 37,774,706	\$ 36,825,006	\$ 34,668,601	\$ 34,123,182
Intergovernmental Revenues	32,175,519	41,061,811	30,840,898	28,684,488	24,355,465	25,402,208	28,969,440	44,091,052	25,650,281	23,962,577
Charges for Services	3,802,744	3,674,467	3,984,645	4,243,039	4,411,050	4,209,140	4,173,274	3,663,046	3,975,973	4,301,793
Investment Income	1,034,910	1,011,433	576,836	44,038	25,011	296,310	525,804	177,048	55,555	39,923
Contributions	98,037	120,838	93,075	126,390	117,677	45,940	130,944	624,827	463,312	33,931
Other	75,091	385,380	237,197	938,317	52,275	38,842	118,512	406,290	64,354	109,516
Total Revenues	83,622,217	90,189,736	78,196,806	75,146,105	68,406,915	68,928,619	71,692,680	85,787,269	64,878,076	62,570,922
EXPENDITURES										
Current:										
General Government	13,770,110	14,793,367	13,145,107	12,267,331	11,740,743	11,701,957	11,428,963	10,781,382	11,065,212	11,421,735
Public Safety	4,874,505	4,609,316	4,637,826	4,305,814	4,142,334	4,065,690	3,981,471	3,811,908	3,767,615	3,365,429
Public Works	3,149,482	2,978,869	2,869,738	2,825,753	2,691,287	2,666,871	2,629,205	2,595,235	2,588,262	2,825,680
Health and Welfare	464,965	661,620	1,214,125	1,261,669	1,236,386	1,300,428	1,320,407	1,388,976	1,394,104	1,362,039
Library	613,981	589,892	569,321	558,479	527,746	506,589	523,632	628,029	621,017	576,683
Parks and Recreation	834,492	833,439	652,285	628,610	465,675	572,454	658,100	599,313	612,973	597,542
Education	49,376,279	48,822,757	46,427,136	44,511,607	41,065,792	40,925,725	35,637,527	41,129,668	40,765,307	37,382,151
Capital Outlay	10,229,776	5,081,483	6,160,939	3,172,664	3,106,345	8,374,088	22,917,260	33,434,801	9,013,561	7,893,925
Debt Service	3,674,210	4,153,132	4,222,849	4,189,044	4,172,901	4,033,075	4,175,013	2,887,736	1,845,342	1,690,143
Total Expenditures	86,987,800	82,523,875	79,899,326	73,720,971	69,149,209	74,146,877	83,271,578	97,257,048	71,673,393	67,115,327
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES										
	(3,365,583)	7,665,861	(1,702,520)	1,425,134	(742,294)	(5,218,258)	(11,578,898)	(11,469,779)	(6,795,317)	(4,544,405)
OTHER FINANCING SOURCES (USES)										
Issuance of Bonds and Loans	-	-	-	3,000,000	4,000,000	-	6,000,000	-	15,000,000	-
Issuance of Refunding Bonds	-	-	-	2,605,000	-	-	-	-	-	-
Issuance of Capital Lease	182,129	-	-	204,820	-	-	126,560	-	-	-
Issuance of Financed Purchase	289,990	-	-	-	-	-	-	-	-	-
Premium on Issuance of Debt	39,820	19,000	-	695,458	596,173	243,978	1,002,234	53,750	1,480,334	-
Payment to Refunded Bond Escrow Agent	-	-	-	(2,867,881)	-	-	-	-	-	-
Sale of Assets	50,574	36,656	86,357	59,607	-	500,000	182,750	-	-	-
Transfers in from Other Funds	2,560,030	2,471,346	2,420,675	2,736,352	2,673,606	5,190,773	2,636,771	1,825,343	1,790,559	1,742,665
Transfers Out to Other Funds	(2,877,739)	(2,763,509)	(2,521,645)	(2,797,991)	(2,857,694)	(5,141,923)	(2,938,838)	(2,151,651)	(2,264,513)	(2,370,258)
Total Other Financing Sources (Uses)	244,804	(236,507)	(14,613)	3,635,365	4,412,085	792,828	7,009,477	(272,558)	16,006,380	(627,593)
NET CHANGE IN FUND BALANCES										
Debit Service as a Percentage to Noncapital Expenditures	4.79%	5.36%	5.73%	5.94%	6.32%	6.13%	6.92%	4.52%	2.95%	2.85%

Note: Schedule prepared on the modified accrual basis of accounting

TABLE 4

TOWN OF LEDYARD, CONNECTICUT
PROPERTY TAX RATES, LEVIES, AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	General Fund		Current Net Tax Collections at June 30,	Percentage of Levy Collected	Net Delinquent Tax Collections (1)	Total Net Taxes Collected-All Years	Percentage of Total Taxes Collected to Levy All Years	Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Levy
	Mill Rate	Adjusted Tax Levy (1)							
2016	30.40	\$ 34,998,574	\$ 33,617,700	96.05 %	\$ 309,416	\$ 33,927,116	96.94 %	\$ 701,758	2.01 %
2017	31.90	34,614,907	34,190,219	98.77	283,453	34,473,672	99.59	746,620	2.16
2018	32.54	36,544,091	36,166,533	98.97	364,758	36,531,291	99.96	551,302	1.51
2019	34.29	37,725,417	37,219,477	98.66	269,471	37,488,948	99.37	710,293	1.88
2020	35.06	38,919,035	38,183,225	98.11	421,892	38,605,117	99.19	1,014,705	2.61
2021	34.97	39,021,528	38,619,557	98.97	618,048	39,237,605	100.55	659,469	1.69
2022	33.60	40,952,646	40,467,661	98.82	283,393	40,751,054	99.51	854,405	2.09
2023	33.82	42,235,493	41,745,113	98.84	374,991	42,120,104	99.73	831,635	1.97
2024	35.21	42,235,493	43,172,662	99.08	378,320	43,550,982	99.95	750,025	1.72
2025	35.21	46,205,215	45,817,221	99.16	274,476	46,091,697	99.75	763,172	1.65

(1) Include over collection of taxes and suspense collections

Source: Town audit reports

TABLE 5

TOWN OF LEDYARD, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
JUNE 30, 2025
(UNAUDITED)

Total Tax Collections, (including Interest, Penalties, and Late Payment of Taxes)

Year Ended June 30, 2024:

Town of Ledyard	\$ 43,321,008
Gales Ferry District	19,215
Base for Establishing Debt	
Limit	<u><u>\$ 43,340,223</u></u>

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit	Total
Debt Limitation:						
2.25 Times Base	\$ 97,515,502	\$ -	\$ -	\$ -	\$ -	\$ 97,515,502
4.50 Times Base	-	195,031,004	-	-	-	195,031,004
3.75 Times Base	-	-	162,525,836	-	-	162,525,836
3.25 Times Base	-	-	-	140,855,725	-	140,855,725
3 Times Base	-	-	-	-	130,020,669	130,020,669
Total Debt Limitation	97,515,502	195,031,004	162,525,836	140,855,725	130,020,669	725,948,735
Indebtedness:						
Bonds and Notes	5,763,887	19,993,000	821,998	-	-	26,578,885
Bond Anticipation Notes	5,500,000	-	-	-	-	5,500,000
Authorized But Unissued Debt	-	4,611,637	-	-	-	4,611,637
Less: Anticipated Grant Proceeds	-	-	-	-	-	-
Total Indebtedness	11,263,887	24,604,637	821,998	-	-	36,690,522
Debt Limitation in Excess of Outstanding and Authorized Debt						
	<u><u>\$ 86,251,615</u></u>	<u><u>\$ 170,426,367</u></u>	<u><u>\$ 161,703,838</u></u>	<u><u>\$ 140,855,725</u></u>	<u><u>\$ 130,020,669</u></u>	<u><u>\$ 689,258,213</u></u>

Notes:

1. In no case shall total indebtedness exceed seven times annual receipts from taxation, or 303,381,561
2. There is no overlapping debt for the Town of Ledyard
3. Authorized but unissued debt is reduced by the total anticipated amount of the State of Connecticut School Construction Grants of \$34,818,363
4. Water related debt of \$936,115 has been excluded from the calculation.

TABLE 6

TOWN OF LEDYARD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt limit	\$ 303,381,561	\$ 293,407,177	\$ 284,428,354	\$ 271,517,932	\$ 268,304,771	\$ 263,864,832	\$ 257,462,373	\$ 242,831,722	\$ 242,831,722	\$ 239,114,337
Total net debt applicable to limit	<u>36,690,522</u>	<u>46,956,035</u>	<u>49,125,758</u>	<u>51,610,485</u>	<u>47,132,262</u>	<u>49,476,988</u>	<u>50,608,959</u>	<u>82,167,321</u>	<u>82,167,321</u>	<u>21,855,250</u>
Legal Debt Margin	<u>\$ 266,691,039</u>	<u>\$ 246,451,142</u>	<u>\$ 235,302,596</u>	<u>\$ 219,907,447</u>	<u>\$ 221,172,509</u>	<u>\$ 214,387,844</u>	<u>\$ 206,853,414</u>	<u>\$ 160,664,401</u>	<u>\$ 160,664,401</u>	<u>\$ 217,259,087</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.09%	16.00%	17.27%	19.01%	17.57%	18.75%	19.66%	33.84%	33.84%	9.14%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2025 debt limit can be found on Table 5 of this report.



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