

Town of Lisbon

Site of the First Railroad Tunnel in America

Annual Report Fiscal Year 2018/2019



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Lisbon Board of Finance

The Lisbon Board of Finance is proud to present the 2018-19 Annual Report.

During the past year the Town negotiated a new Host Town Agreement with Wheelabrator (the local trash to energy plant). The agreement continues to allow town residents to bring household waste to the site free of charge. The new agreement limits the financial impact to the town and is forecast to add 0.5 mills to the 2020-21 and 2021-22 budgets. The Board of Finance also selected a new auditor for the Town's financial statements. The firm of King and King based in Winsted, CT was chosen. During this past year the Board of Finance voted to pay off the final amounts due on the Employee Retirement Accrued Liability saving the town a significant amount of interest.

The Lisbon Board of Finance meets on the third Wednesday of each month at 7PM in the Town Hall meeting room. The board currently has openings for alternate members. Each year the Board of Finance struggles with its duty to maintain and provide the services needed by the town residence in relation to the residence ability to pay for those services. To add to this is the continued uncertainty with the State of Connecticut's funding to towns and education.

General Information About Lisbon

Settled	1687
Incorporated	May, 1786
Area within Town borders	16.5 square miles
Population	estimated
Grand List as of October 2017	\$ 379,041,269
Tax rate for fiscal year 2018-2019	22.5 mils
Assessment ratio	70% property
Assessment date	October 1 st
Fiscal Year	July 1 st to June 30 th
Registered voters	2867
School	Lisbon Central School
Grades	Pre-K to 8 th
Fire Department	Lisbon Volunteer Fire Department
Police Protection	Resident State Trooper
Type of Government	Selectman - Town Meeting, Board of Finance

Town Offices, Services & Officials

First Selectman	Thomas W. Sparkman	376-3400
Selectman	Robert T. Browne, Sr	
Selectman	William Surfus	
Clerk to Bds & Admin Asst.	Elaine Joseph (hired 12/31/2018) Marlene LePine (until 12/31/2018)	376-3400
Town Clerk's Office	Laurie Tirocchi, Town Clerk / Registrar of Vital Statistics Marjorie Wakely, Assistant Clerk / Assistant Registrar	376-2708
Tax Collector's Office	Gail L. Izbicki, Tax Collector	376-4188
Assessor's Office	Angel Johnstone Theresa Bodinger (hired 12/31/2018) Elaine Joseph (1/2/2018-12/31/2018)	376-5115
Finance Office	Chris Maynard, Treasurer Laurie Tirocchi, Deputy Treasurer Holly Smelser, Bookkeeper	376-7856
Bank Depository	Dime Bank	
ZEO	Zoning Enforcement Officer - Carl Brown	376-8291
Bldg Inspector	Carl Brown	376-8291
Department of Health	Uncas Health District Albert G. Gosselin, Jr., Sanitarian	823-1189 x-113
Tree Warden	Terry Joseph	908-4669
Senior Center &	Karen Washington, Senior Coordinator	376-2329

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Municipal agent for the Elderly	Glenda White, Meal Site Server Tom Szafranski, Van Driver Donna Gahrman, Van Driver (hired 10/2019)	
Animal Control	NEECOG	860-774-1253
Highway Superintendent	Thomas W. Sparkman	376-3400
Town Staff	Gregory Bouchard, Town Road Foreman	
	Michael Civardi, Maintenance/Operator	
	Jonathan Sparkman, Maintenance/Operator	
	Samuel Giancarlo, Maintenance/Operator	
	Adam Little, Maintenance/Operator	
Ambulance	(Routine business)	376-2558
Fire House	(Routine business)	376-2558
Fire Marshall Burning Official	Richard Hamel	234-3173
Emergency Management	Jonathan P. Arpin	822-6329
Resident State Trooper	Trooper Joseph Robert Adams	376-8868

Lisbon Central School

Superintendent	Sally Keating	376-5565
Principal	Brian Apperson	376-5565
Director of Finance	Diana Cormier	376-2403 x-227
Main Office		376-2403

Justice of the Peace

Name	Party	Terms
Steven M. Beck	Democrat	01/03/17 – 01/04/2021
Dianne M. Dempsey	Democrat	01/02/17 – 01/04/2021
Daniel J. Finn	Republican	01/02/17 – 01/04/2021
Edward P. Hogan	Unaffiliated	01/02/17 – 01/04/2021
Frederick Kral III	Unaffiliated	01/03/17 – 01/04/2021
Miles A Lafemina	Republican	01/02/17 – 01/04/2021
Ruth E. MacDonald	Republican	01/02/17 – 01/04/2021
Doreen M. Mainville	Unaffiliated	01/02/17 – 01/04/2021
Susan G. Rainville	Democrat	2/23/2017-01/04/2021
Gary M Ritacco	Republican	01/02/17 – 01/04/2021
Karen M. Washington	Unaffiliated	01/02/17 – 01/04/2021

Elected or Term Appointed Officials

Board of Selectman (2 year term)		
(R) Thomas W. Sparkman	First Selectman	11/19/2019 – 11/16/2021
(R) Robert T. Browne, Sr.		11/19/2019 – 11/16/2021
(D) William C Surfus		11/19/2019 – 11/16/2021
Town Clerk (4 year term)		
(D) Laurie Tirocchi		01/01/18-1/3/2022
Town Treasurer (2 year term)		
(D) Chris Maynard		11/19/2019 – 11/16/2021
Tax Collector (2 year term)		
Gail L. Izbicki		11/19/2019 – 11/16/2021
Registrars (4 year term)		
(R) Mary S. Grant	Registrar	01/04/17-01/06/2021
Daniel Barrett	Assistant Registrar	01/04/17-1/6/2021
(D) Stephen C. Barrett	Registrar	01/04/17-01/06/2021
Leonora J. Szruba	Assistant Registrar	01/04/17-
Dianne Dempsey		1/6/2021
Board of Finance (6 year term, staggered)		
(R) Michael Zelasky	Chairman	11/17/15 – 11/16/21
(D) Thomas J. Wakely, Jr.		11/19/19 – 11/18/25
(D) Dennis Duplice		11/19/13 – 11/19/19

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(R) Ian Rogers		12/17/19- 11/2/2021
(R)Miles LaFemina		12/20/17-11/5/2019
(R) Randall Baah		11/21/17-11/21/23
(D) Frank Burzycki		11/17/15 – 11/16/21
(D) Wayne Donaldson		11/21/2017-11/21/23
Election Vacancy	Alternate	
(D) Thomas Wakely		12/18/2017-11/5/19
Election Vacancy	Alternate	
(R) Phillip Kiley		2/12/18 - 11/5/19
Election Vacancy	Alternate	
(D) Gail Gwiazdowski		2/26/18 – 11/5/19
Board of Education	(6 year term, staggered)	
(R) Melissa Krauss	Chairman	11/21/2017-11/16/21
(R) Lauren Baah		11/19/19 – 11/18/25
(R) Ian A. Rogers	Chairman	11/19/13 – 11/19/19
(D) Joan Marshall		11/7/17 – 11/21/23
(R) Melissa Becotte-Avery		11/21/17-11/21/23
(R) Scott McCabe		11/17/15 – 11/16/21
(D) Joseph P. Lewerk		11/21/17-11/21/23
(D) David Nowakowski		11/17/15 – 11/16/21
(D) Judith Jencks		11/19/13 - 11/19/19 – 11/18/25
(D) Jenny Danburg		11/19/13 – 11/19/19 – 11/18/25
Board of Assessment Appeals	(4 year term, staggered)	
(D) Steven Beck	Chairman	11/19/13 –11/21/17-11/19/19
(R) Susan Hull		11/19/19-11/18/25
(D) Ronald V. Babbitt		11/17/15 – 11/19/19
(R) Kimberly Ann Lang		11/17/15-11/7/17-11/16/21
Planning & Zoning Commission	(4 year term, staggered)	
(R) Robert D. Adams	Chairman	11/21/17-11/16/21
(D) Trevor Danburg		11/21/17-11/16/21
(D) John Dempsey		11/21/2017-11/16/21
(D) Jason Lebel		11/19/19-11/21/23
(R) Cheryl Blanchard		11/17/15 – 11/19/19
(R) Randy Brown		11/19/19-11/21/23
(R) Sharon R. Gabiga		11/22/11 – 11/19/19
(D) Ronald E. Giroux		11/21/17-11/16/21
(R) Ben E. Hull III		11/19/19 – 11/21/23
(R) Tim Minor		11/19/19 – 11/21/23
(R) Gary M. Ritacco		11/22/11 – 11/19/19
(D) Kim E. Sperry		11/21/17-11/16/21
(R)Gary Ritacco	Alternate	11/19/19 – 11/21/23
(R) Cheryl Blanchard	Alternate	11/25/19 - 11/16/21
(R)Timothy Minor		12/18/17 - 11/19/19
(D) Vacancy	Alternate	- 11/16/21
(D) Jason Lebel		6/10/19 – 11/19/19

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Michael J Murphy	Town Planner	
Zoning Board of Appeals	(6 year term, staggered)	
(D) Ronald V. Babbitt		11/21/17-11/21/23
(D) Steven Beck	Chairman	11/19/13 - 11/19/19 – 11/18/25
(R) Robert Jencks		11/19/13 - 11/19/19 – 11/18/25
(R) Leo MacDonald		11/21/17-11/21/23
(U) Frederick Kral		12/14/15 – 11/16/21
Election Vacancy	Alternate	-11/21/23
(D) Robert Chubka	Alternate	12/9/19– 11/16/21
Election Vacancy	Alternate	– 11/18/25
(D) Robert Chubka		08/11/14 – 11/19/19
Constables	(2 year term)	
(D) Trevor Danburg		11/21/17-11/19/19 – 11/16/21
(D) Steven M Beck		11/21/17-11/19/19 -11/16/21
(D) Jason Lebel		11/19/19 -11/16/21
Commission on Aging	(2 year term, staggered)	
Leonora Szubra	Chairwoman	2/28/17-2/28/19-2/28/21
Patricia Walburn		6/4/18-2/28/19-2/28/21
Joseph Doran		02/28/18 – 2/28/20
Donna Gahram		02/28/18 – 2/28/20
Mary S. Grant		2/28/17- 2/28/19-2/28/21
Fidelis Kershaw		02/28/18 – 2/28/20
Carol Sadowski		02/28/18 – 2/28/20
Blanche Todriff		03/01/17-2/28/19 – 2/28/21
Karen Washington	Senior Coordinator	
Conservation Commission	(2 year term, staggered)	
Richard Hamel	Chairman	11/30/18- 11/30/20
Joseph Lewerk		11/30/17-11/30/19-12/24/21
Mark Robinson		12/1/2016-11/30/18
Olivia Benson		5/13/19 - 11/30/19-12/24/21
Leonora J. Szruba		11/30/18-11/30/20
Mark Sullivan	Alternate	11/26/17-11/26/19-12/24/21
Billy McIntosh Sr	Alternate	5/13/19-5/13/21
Billy McIntosh Jr		5/8/17-5/8/19
Joe Theroux	Conserv Enforcement Officer	
Recreation Committee	(2 year term, staggered)	
Vacancy		- 7/8/2020
Nancy Smigiel		7/8/18-7/8/2020
Megan Sikorsky		6/10/19-7/8/20
Jason Bazinet		07/08/18-12/10/18
Andrea Kelly		4/30/17-4/30/19-4/30/21
Lauren Sylvestre		4/30/17-4/30/19-4/30/21
Andrew Lagace		4/8/19-7/8/2020

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Thomas J. Restivo	Chairman	4/30/17-4/30/2019-4/30/21
Vacancy		- 4/30/19
James Synott		4/30/17-9/1/18
Chris Fabry		4/30/17-4/30/ 19-4/30/19
Water Pollution Control Authority (WPCA) (4 year term)		
Cheryl Blanchard		10/18/19-12/31/22
Robert LaChapelle	Chairman	01/12/15– 12/31/18
Vacancy		–12/31/20
Joseph Lewerk		12/31/15 – 12/31/19- 12/31/21
Kenneth Robb	Chairman	2/22/16 – 12/31/18- 12/31/20
David Wawryniewicz		2/31/15 – 12/31/19-12/31/21
Farmers Market (year term, staggered)		
Sharon Gabiga	Chairman	11/17/15-11/19/19-11/19/21
John Algier		11/20/15-11/19/21
Terry Joseph		11/17/15-11/19/19-11/19/21
Elaine Joseph		11/19/13-11/19/17-11/19/21
Adeline Jernstrom		9/25/2017-11/19/21
Vacancy	Alternate	
Meridith Savluk		8/13/18– 11/19/19
Trail Committee		
Joseph Lewerk	Chairman	
Randall Baah		
Chad Johnson		
Joseph Imschweiller		
Kim Sperry		
Marcia Shafer		
Terry Joseph		
Kevin Shafer		
Doug Hueg		
Steve Brown		

2018 Elected State Officials

U.S. Senator	
Richard Blumenthal (D)	860-258-6940
Chris Murphy (D)	860-549-8463
U.S. Congressman (2 nd District)	
Joe Courtney (D)	860-886-0139
Governor, State of Connecticut	
Ned Lamont (D)	860-566-4840
Judge of Probate	
Charles Norris	860-887-2160
State Senate (19 th District)	
Cathy Osten (D)	860-240-0579
State Representative (45 th District)	
Brian Lenoue (D)	860-240-8700
State Representative (47 th District)	
Doug Dubitsky (R)	800-842-1423

Lisbon 2018-19 annual report

Wayne Donaldson, Chairman
Town of Lisbon
Board of Finance
1 Newent Road
Lisbon, Connecticut 06351

Re: Annual report

Dear Mr. Donaldson:

I am pleased to report that the Board of Selectmen continued to meet on the second and fourth Monday of each month in the Lisbon Town Hall for the purpose of discussing and acting on issues and matters pertaining to the improvement and development of the community. We once again close this fiscal year on a sound financial note, continued to maintain all programs and proper services to the residents all while staying within budget. That included maintaining and upgrading our infrastructure, building and grounds, as well as the very popular town-wide spring cleanup, household hazardous waste collection, electronic waste collection and shred day.

While it is certain that the commitment required to complete road projects, maintain our buildings, grounds and infrastructure is significant, there is no questions that the commitment and support of the residents, as well as the Board of Finance allowed these and other projects to go forward. With State DOT and local funding in place and the design phase completed and approved during this fiscal year, it is anticipated that the Blissville Pond bridge on Bundy Hill Road and the bridge over Blissville Brook on School House Road will be replaced in the summer of 2020. The Board of Selectmen continued to work with our boards, commissions and committees to ensure that while we grew our commercial tax base and provide job opportunities, we also protected the rural character of the community, the region and safeguarded our precious environment.

The Board of Selectmen would like to thank all our Town officers, staff, employees and volunteer members of the various boards, commissions and committees for their continued dedication to the community.

On behalf of Robert T. Browne and William C. Surfus, I pledge to the residents that it is our objective to superintend the Town of Lisbon with your best interest in mind.

Thomas W. Sparkman
First Selectman

OFFICE OF THE TOWN CLERK

Laurie Tirocchi
Town Clerk



Marjorie Wakely
Assistant Town Clerk

Annual Report

July 1, 2018 – June 30, 2019 Fiscal Year

The Office of the Town Clerk serves the town in many capacities. We receive and record all town records with the ongoing responsibility to preserve and archive them. We issue licenses and permits as well as process land use applications, vital statistics records, appointments, and election results.

During the 2018-2019 fiscal year the town clerk's office has processed:

- 717 land records generating over \$19,200 in recording fees.
- \$41,000 in town conveyance taxes for transfers of property.
- \$4500 in Historic Preservation Grant Funds.
- 361 dog licenses.
- 147 sports fishing & hunting licenses.
- 20 Land Use applications.
- 14 new trade name filings

As Registrar of Vital Statistics, our office is responsible for the recording and preservation of all birth, marriage and death certificates for our town residents. We also issue burial certificates, marriage licenses, and certified vital records which have generated over \$3400 in associated fees for the town. This year we have recorded:

Births – 32

Marriages – 26

Deaths - 47

The Town Clerk's Office works closely with the Registrars of Voters in preparation for all elections by creating the list of offices and candidates, preparing legal notices and verifying all election ballot orders. Preparing, issuing and receiving absentee ballots are the sole responsibility of the Town Clerk's office. Once the polls have closed, the election results are verified by the Town Clerk, certified to the Secretary of State and permanently recorded in the Town record books. We held an election and a referendum this fiscal year.

Primary Election – 8/14/2018

Municipal Election – 11/06/2018

Town Budget Referendum – 5/20/2019

The Town Clerk also serves as clerk at all Town Meetings. This year there were 2 Town Meetings. Our office is also responsible for recording all appointments, posting and receiving/recording all town meeting agendas and minutes, administering the oath of office to all town officials as well as to Lisbon Justice of the Peace and Notary Public officials. The resignations of all town officials are also received and recorded by the Town Clerk who files them with the Secretary of State.

I appreciate the opportunity to serve as Lisbon's Town Clerk. It is a pleasure to assist the residents of our town and those who conduct business with us.

Respectfully submitted,
Laurie Tirocchi, CCTC - Town Clerk

SPECIAL TOWN MEETING

August 9, 2018

A Special Town Meeting was called to order by Thomas W. Sparkman, on Thursday, August 9, 2018 at 7:00 p.m. in the Lisbon Town Hall 1 Newent Road, Lisbon, Connecticut.

A motion was made by Robert Browne, 2nd by Leo MacDonald to nominate Richard Hamel as moderator.

Vote: Unanimous

Rick Hamel duly chosen as moderator.

Warning read by Assistant Town Clerk, Marjorie Wakely.

Moderator read Item #1:

"To authorize the Town of Lisbon Board of Selectmen, as approved by the Board of Finance, to approve the NewGen Strategies and Solutions, LLC, Watershed Review & Appraisal Proposal, at a cost of \$85,000 to be taken out of the General Fund."

A motion was made by Robert Grant, seconded by Richard Rogers, to approve motion as read.

First Selectman, Thomas Sparkman, presented background information regarding this proposal.

Comments & questions were made by the following residents:

- Leo MacDonald*
- Randall Baah*
- Jennifer Ezzell*
- Benjamin Hull*
- Richard Rogers*

Vote: Unanimous

Motion Carried

A motion was made by Robert Browne, seconded by Melissa Avery, to adjourn meeting at 7:30 p.m.

Vote: Unanimous

Motion Carried

*Marjorie Wakely
Assistant Town Clerk*

TOWN OF LISBON
ANNUAL TOWN MEETING
May 6, 2019

The 2019 Annual Town Meeting for the Town of Lisbon was called to order by First Selectman Thomas Sparkman on Monday, May 6, 2019, at 7:00 p.m. in the Lisbon Central School Cafeteria/Gymnasium, 15 Newent Road, Lisbon, Connecticut.

Nomination of Moderator:

Richard Hamel was nominated by Robert Grant, seconded by Robert Browne.

Nominations closed.

Richard Hamel was duly chosen as moderator.

Warning was read by Marjorie Wakely, Assistant Town Clerk.

Moderator read Item #1:

“To discuss the General Government Budget, for Fiscal Year 2019/2020, as approved by the Board of Finance, in the amount of \$2,848,786.”

No Discussion Followed

Moderator read Item #2:

“To discuss the Board of Education Budget, for Fiscal Year 2019/2020, as approved by the Board of Finance, in the amount of \$9,598,391.”

No Discussion Followed

Moderator read Item #3:

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“To authorize the Board of Finance, the transfer of \$110,000 from the General Fund, to the Capital Reserve and Nonrecurring Fund.”

A motion was made by Robert Grant, seconded by Frank Burzycki, to approve motion as read.

Vote : UNANIMOUS

MOTION CARRIED

Moderator read Item #4:

“To authorize the Board of Finance, the transfer of \$396,358 from the General Fund, to the Capital and Nonrecurring Fund, Assigned-Unspecified, for the actual amortization payoff as of July 01, 2019 of the Town of Lisbon, Employee Retirement Accrued Liability.”

A motion was made by Robert Browne, seconded by Thomas Wakely, to approve motion as read.

Vote : UNANIMOUS

MOTION CARRIED

Moderator read Item #5:

“To adjourn the Annual Town Meeting action upon the General Government Budget and Board of Education Budget, pursuant to “An Ordinance Requiring Referendum Votes for the Annual Town Budget,” for a referendum vote on Monday, May 20, 2019, between the hours of 6:00 a.m. and 8:00 p.m., to be held in the Lisbon Town Hall, 1 Newent Road, Lisbon, Connecticut 06351.”

A motion was made by Robert Grant, seconded by Frank Burzycki, to adjourn the Town Meeting to referendum as read.

Vote : UNANIMOUS

MOTION CARRIED

Town meeting adjourned at 7:05 p.m.

Marjorie Wakely

Assistant Town Clerk

TOWN OF LISBON
RECONVENED ANNUAL TOWN MEETING
MAY 20, 2019

The Annual Town Meeting of May 6, 2019 was reconvened by Richard Hamel, Moderator, at 8:06 p.m. on May 20, 2019 in the Lisbon Town Hall at 1 Newent Road, Lisbon, CT.

Cindy Palmer, election moderator, read the election totals:

Shall the Town of Lisbon accept the General Government Budget, for Fiscal Year 2019/2020, as approved by the Board of Finance, in the amount of \$2,848,786?

	<u>YES</u>	<u>No</u>
Election Totals:	156	17

GENERAL BUDGET PASSED

Shall the Town of Lisbon accept the Board of Education Budget, for Fiscal Year 2019/2020 as approved by the Board of Finance, in the amount of \$9,598,391?

	<u>YES</u>	<u>No</u>
Election Totals:	143	29

EDUCATION BUDGET PASSED

Motion to adjourn by Thomas Sparkman, seconded by Robert Browne.

Town meeting adjourned at 8:08 p.m.

Laurie Tirocchi

Town Clerk

Town Treasurer Annual Report

Municipal Money Market Savings accounts were opened at Dime Bank in fiscal year 2017-2018 for various funds. These accounts provided the town with additional options to invest surplus funds in addition to providing easier movement of funds via on-line banking. As shown in the table below the enhanced cash management and investment of surplus funds, combined with rising interest rates, generated \$152,000 for the town in fiscal year 2018-2019. This reflects an increase of \$70,000, or 85%, compared to fiscal year 2017-2018 and more than 5 times greater than fiscal year 2016-2017!

Historical Investment Income

	<u>General Fund</u>	<u>Town Aid Road Fund *</u>	<u>Capital Non-Recurring Fund</u>	<u>WPCA *</u>
2014-2015	\$ 3,341	\$ 0	\$ 2,219	\$ 0
2015-2016	\$ 5,644	\$ 0	\$ 5,480	\$ 0
2016-2017	\$ 14,596	\$ 2,253	\$ 10,434	\$ 0
2017-2018	\$ 46,231	\$ 7,347	\$ 28,443	\$ 187
2018-2019	\$ 90,814	\$11,754	\$ 45,756	\$ 3,633

* Town Aid Road Fund investment account was opened in fiscal 2016-2017

* WPCA investment account was opened in fiscal 2017-2018

Sincerely,

Chris Maynard
Treasurer, Town of Lisbon CT

OFFICE OF THE ASSESSOR



Grand List 2017

Real Estate:	\$321,699,660
Personal Property:	\$20,084,622
Motor Vehicle:	\$37,256,987
Total Net Grand List:	\$379,041,269

Grand List 2018

Real Estate:	\$325,446,180
Personal Property:	\$19,748,080
Motor Vehicle:	\$33,747,965
Total Net Grand List:	\$378,942,225

EXEMPTIONS

There are certain exemptions that may be deducted from your assessment for a reduction in taxes. These exemptions are applied to the real estate assessment first, but if the taxpayer does not own real estate then the exemption is applied to the motor vehicle assessments.

- **Elderly and Disabled Homeowners Tax Relief** applications may be obtained between Feb. 1-May 15. To apply for this program, you must provide the Assessor's Office with proof of all income for the previous year, including Federal Income Tax returns and/or all year-end financial statements including your Social Security 1099 form. Elderly must be 65 or over by December 31 prior to year of application. If disabled, proof of disability is required.
- **Veterans** can receive an exemption if their military discharge form (DD214 or equivalent) is recorded at the Town Clerk's office and they served a minimum of 90 days during war time. The DD214 must be recorded prior to October 1 of any year to begin receiving the exemption on the tax bill due the next July. The DD214 need only be recorded once in a lifetime and must indicate the discharge as Honorable.
- **Disabled Veterans** may receive a higher exemption. To qualify you must submit your Benefits Payment Statement issued by the Dept. of Veterans Affairs in September before Oct. 1. This does not need to be updated unless the Veterans Administration modifies your disability rating.
- **Additional Veterans Exemptions** are available for those veterans with lower income. Applications accepted between Feb. 1- Oct. 1 with proof of income for the previous year, as well as Federal Income Tax returns and/or all year-end financial statements including your Social Security 1099 form. If you qualify, this doubles a portion of the Veterans exemption. The application must be renewed every two years with updated income verification. It is typical to submit this application in conjunction with the Elderly/Homeowner's application.
- **Disability Exemptions** can be applied for between Oct. 1- Jan. 31. You must be 100% disabled & provide a TPQY form from Social Security or a letter from Veterans Affairs. This does not need to be renewed once approved.
- **Blind Exemptions** can be applied for at any time. You must submit a copy of the Certificate of Legal Blindness issued by the State of Connecticut. This does not have to be renewed once approved.

FORMS

Required forms for all exemptions as well as the annual commercial filings of Income & Expense Reports (due June 1st) and Personal Property declarations (due November 1st) are available at the Assessor's Office. It is advised to call ahead for specific forms to ensure they are printed upon your arrival.

Respectfully submitted:

Angel L Johnstone CCMAII
Assessor

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Date: January 6, 2020

To: Board of Finance

From: Carl R Brown

Building Official/ ZEO

RE: 2019 Yearly Report

Dear Sirs,

The Building Department of Town of Lisbon issued 356 building Permits. The total value of construction for these permits was \$7,717,564.00. The Fees for the building permits collected was \$92,610.00

The Zoning Enforcement Officer issued 29 zoning permits with fees of \$2900.00 collected.

The economy has stayed relatively the same from 2018 through 2019. The area looks to be stable and I am expecting the same volume and value of work in 2020.

New construction of homes remained equal to 11 in 2018, 15 in 2019 and 2020 is looking to continue to trickle with new homes as 2019 under construction.

Lisbon continues to keep in step with area towns, there are no new subdivisions on the review table as of now.

Respectfully Submitted,

Carl R Brown

Building Official / ZEO

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									Bdg				
	new	ID #	DATE		PERMIT #	#	Street	Type of Work	EST COST	PERMIT FEE	Ed Fee	TOTAL	ZONING FEE
1		1942	4-Sep	B	19-3950	35	Rex Rd	Solar Panels	4000	86	1.3	\$87.30	
2		1942	4-Sep	B	19-3951	35	Rex Rd	Solar elec eq	9372	146	2.6	\$148.60	
3		647	4-Sep	B	19-3952	159	Kimball Rd	Solar Panels	20247	278	5.46	\$283.46	
4		647	4-Sep	B	19-3953	159	Kimball Rd	Solar elec eq	47242	602	12.48	\$614.48	
5		1335	4-Sep	B	19-3954	17	River Rd	Plbg sink	500	50	0.52	\$50.52	
6		867	9-Sep	B	19-3955	9	Havest Rd	HVAC	3500	74	1.04	\$75.04	
7		1349	9-Sep	B	19-3956	329	River Rd	Boiler gas	14000	194	3.64	\$197.64	
8		1349	9-Sep	B	19-3957	329	River Rd	gas tank	2000	50	0.52	\$50.52	
9		375	11-Sep	B	19-3958	31	Tunnel Hill	Reroof	10800	158	2.86	\$160.86	
10		1838	11-Sep	B	19-3959	195	Mell Rd	Plbg new house				\$0.00	
11		1487	11-Sep	B	19-3960	25	Dogwood Dr	Reroof	14001	206	3.9	\$209.90	
12		736	11-Sep	B	19-3961	108	Kimball Rd	gas tank	4788.78	86	1.3	\$87.30	
13		1936	11-Sep	B	19-3962	23	Rex Rd	AC	6000	98	1.56	\$99.56	
14		765	11-Sep	B	19-3963	98	Mell Rd	Solar Panels	11375	170	3.12	\$173.12	
15		765	11-Sep	B	19-3964	98	Mell Rd	Solar elec eq	26541	350	7.02	\$357.02	

	new	ID #	DATE	PERMIT #	#	Street	Type of Work	EST COST	Bdg PERMIT FEE	Ed Fee	TOTAL	ZONING FEE	
16		1590	16-Sep	B	19-3965	299	N Burnham Whwy	Kit Reova	10000	146	2.6	\$148.60	
17		1822	16-Sep	B	19-3966	7	Janette Court	HVAC	8000	122	2.08	\$124.08	
18		186	16-Sep	B	19-3967	8	Kinsman Hill	screen porch	8001	134	2.39	\$136.39	
19		304	17-Sep	B	19-3968	171	Ross Hill Rd	addition	59000	735	15	\$910.00	160
20		304	17-Sep	B	19-3969	171	Ross Hill Rd	addition/Gas	500	50	0.52	\$50.52	
21		304	17-Sep	B	19-3970	171	Ross Hill Rd	addition?elec	500	50	0.52	\$50.52	
22		1202	17-Sep	B	19-3971	11	Rex Rd	Gas logs	492	50	0.52	\$50.52	
23		1024	18-Sep	B	19-3972	164	Strawberry ST	Replace tk	1950	50	0.52	\$50.52	
24		306	18-Sep	B	19-3973	54	Ice House	Reroof	25000	338	6.76	\$344.76	
25		1863	18-Sep	B	19-3974	5	Sylvandale Rd	Reroof	10000	146	2.6	\$148.60	
26		1193	18-Sep	B	19-3975	162	Ross Hill Rd	Reroof	12000	170	3.12	\$173.12	
27		203	18-Sep	B	19-3976	88	Bundy Hill	Elec	1800	50	0.52	\$50.52	
28		1838	18-Sep	B	19-3977	195	Mell Rd	Elec New				\$0.00	
29		1202	20-Sep	B	19-3978	11	Rex Rd	Gas Tk	442	50	0.52	\$50.52	
30		41	25-Sep	B	19-3979	41	Bundy Hill Rd	Renov	5427	98	1.56	\$99.56	
31		1347	25-Sep	B	19-3980	85	River Rd	Reroof	30000	360	7.8	\$367.80	

	new	ID #	DATE		PERMIT #	#	Street	Type of Work	EST COST	Bdg PERMIT FEE	Ed Fee	TOTAL	ZONING FEE
32		949	25-Sep	B	19-3981	170	N Burnham Hwy	pellet Stove	4000	74	1.04	\$75.04	
33		61	25-Sep	B	19-3982	12	Strawberry ST	gas line	380	50	0.52	\$50.52	
34		45	25-Sep	B	19-3983	20	Sergeants	Reroof	4000	74	1.04	\$75.04	

Lisbon 2018-19 annual report

35	453	25-Sep	B	19-3984	129	s burnham Hwy	reroof	2800	62	0.78	\$62.78		
36	687	30-Sep	B	19-3985	9	Havest Rd	gas	3300	74	1.04	\$75.04		
37	1858	30-Sep	B	19-3986	552	River Rd	Roof	11720	170	3.12	\$173.12		
												\$0.00	
Total								\$373,678.78	\$5,601.00	\$101.89	\$5,862.89	\$160.00	



Lisbon 2018-19 annual report

Conservation Commission

1 NEWENT ROAD
LISBON, CT 06351

The Conservation/Inland Wetland Commission is charged by State statute with the preservation and conservation of the fragile resources within the Town of Lisbon known as wetlands and watercourses. Upon its request, it is assisted in these goals by the Eastern Connecticut Conservation District, the Connecticut Department of Environmental Protection, the USDA Natural Resources Conservation Service and the U.S. Army Corps of Engineers.

Commission meetings, open to the public, are held the third Tuesday of each month at 7 p.m. in the Town Hall Conference Room. The Commission reviews and acts upon applications for activities in or within 100 feet of Lisbon's wetlands and watercourses, answers citizens' concerns, investigates complaints and conducts all business necessary to fulfill its responsibilities. Decisions made by the Commission, and investigations on its behalf, are implemented by the Conservation Enforcement Officer, Joseph Theroux, who also acts as technical advisor to the Commissioners.

The Conservation/Inland Wetland Commission is made up of five conservation minded volunteers and two alternates, all appointed by the Board of Selectmen. Also participating in the meetings are representatives of Lisbon Central School's service learning program. The Commission administers the Inland Wetland and Watercourses Regulations prescribed by Connecticut General Statutes. With enforcement authority for all provisions of the Inland Wetland and Watercourses Act, it can issue cease and desist orders and levy penalties for violations of regulations.

The Commission tries to work with applicants to find a way to use the land with minimal impact to the wetlands and adjacent upland review areas. The Commission is always agreeable to having a landowner consult with them to see what effect a proposed project would have on wetlands and surrounding areas.

During the past fiscal year, the Commission held eight regular meetings, one special meeting, one public hearing (397 North Burnham Highway) and field walks at six separate locations. It received and accepted for review eight applications and granted six permits (133 & 139 Strawberry St., 397 North Burnham Highway, 17 Gavin Way, 64 & 68 Lisbon Heights Rd. and 38 Club House Rd.) and two agent approvals (62 Blissville Rd. and 140 Kinsman Hill Rd.).

The Commission maintained its membership in the Connecticut Association of Conservation and Inland Wetland Commissions. Also continued was the presentation of a \$100 recognition award to two members of Lisbon Central School's graduating class who exhibited a strong interest in the conservation of our natural resources.

Respectfully submitted,
Joseph P. Lewerk, Commission Vice Chairman



**LISBON
CENTRAL
SCHOOL**

15 NEWENT ROAD
LISBON, CT 06351
TELEPHONE (860) 376-2403
FAX (860) 376-1102
www.lisbonschool.org

SALLY KEATING
Superintendent

DIANA CORMIER
Business Manager

Maggie Courter
*Director of Special
Education/ Early Childhood
Coordinator*

BRIAN APPERSON
Principal

2018 Annual Report

To: Mr. Wayne Donaldson, Chairman of Board of Finance

The Lisbon School District's students had a very productive and successful 2018-2019 school year, both at the elementary and middle school levels at Lisbon Central School (LCS) as well as at the various high schools. This was achieved through the efforts and collaboration of the Lisbon Board of Education and the entire Lisbon school community.

Financial challenges were present due to the fiscal issues at the State level as well as to cuts to the State Educational Cost Sharing (ECS) Grant. These issues naturally affected local funding. Consequently, a zero percent increase over the former year's budget was instituted for the 2018-2019 school year. This resulted in cautious spending in order to close the year in good standing. More importantly, despite a zero percent increase, the students still received a top-notch education.

Regarding academics and instruction, Math continued to be an area of focus. The spring Smarter Balance Assessment Consortium (SBAC) testing reflected an increase in growth and stability in achievement over the former year. The goal now is to make larger increments of progress going forward. Language Arts continues to be an area of strength for LCS. Students in grades five and eight took the Next Generation Science Standards (NGSS) for the first time. LCS students' performance was comparable to the average performance of students across the State. Students' daily performance in Social Studies and Spanish continue to be exemplary. The special area teachers in Art, Music, Physical Education, Health, Media, Technology and STEAM hone students' interest and skills in the specific disciplines, encouraging creativity and motivation. These disciplines also support instruction in the core subject areas. A committee was established to develop a Standards-Based Report Card for implementation for 2019-2020, to more accurately and thoroughly report students' progress. The utilization of data teams for the analyses of assessments and the delivery of instruction, the implementation of the Administrator and Teacher evaluation process, the implementation of Positive Behavioral interventions and Support (PBIS) and the Cougar Code of Conduct contributed to a positive school climate and to students' strong achievements. Staff's ongoing commitment, dedication and exceptional expertise combined with the Board of Education, parents and community's support fostered an optimal teaching/learning environment. As a result of this support and our students' math needs, a proposal for addressing the identification and needs of our Gifted and Talented students was developed for the budget for the upcoming year (which did come to fruition.)

A new Director of Special Education/Early Childhood Coordinator was hired in October 2018. An Interim Special Education Director and the Superintendent transitioned with Ms. Maggie Courter to ensure continuity of services for students and overall programming. Due to the success of the Flexible Resource Room (FRR) from the previous year, this program was expanded to meet the needs of two different age groups. Students' needs were appropriately met in a cost-effective, quality environment as opposed to possible outplacement programming.

LCS had numerous opportunities for those who enjoy clubs, enrichment activities, and sports. Students participated in Math, Technology, Garden, and Cooking Clubs. Our Unified Physical Education continued its fun-filled movement activities for students with special needs and regular education peers. Regarding sports, our Cheerleading Team placed 2nd in the Griswold Pride Cheerleading Competition and both the Boys and Girls Varsity Cross-Country teams placed 2nd

Lisbon 2018-19 annual report

in the regional competitions. In the Track and Field season, there were 50 students from 6th-8th grade who participated with approximately 12 winning top 1st, 2nd and 3rd place in their respective event.

As of October 1, 2018, LCS had an enrollment of 401 students, and there were 208 students in grades 9-12. Enrollment increased in comparison to the October 1, 2017 counts of 390 students at LCS, 208 students in grades 9-12.

Norwich Free Academy and Griswold High School are considered our designated high schools. Students also attend Tech Schools, Vo-Ag, and Magnet Schools. Each year, the high schools send lists of those students who are in the top honors program, receive awards and accolades in core curriculum areas as well as in the arts and in sports. Numerous students are noted on these lists. We can be very proud of our high school students of which many of them received their start at LCS.

Administratively, LCS has a very dedicated, hardworking team. Principal Brian Apperson and Special Education Director/Early Childhood Coordinator, Maggie Courter were highly visible and engaged participants in numerous activities, committees and initiatives. Due to the increase of administrative mandates and responsibilities, a proposal for a part-time Assistant Principal was formulated in the budget for the upcoming year (which did come to fruition.) Business Manager Diana Cormier and Director of Building and Grounds Brian McGlew also worked endlessly in their departments to ensure smooth, effective operations from a financial and building perspective. Superintendent Sally Keating consistently comments how fortunate she is to have such an outstanding team.

The books on the LCS Oil Tank Replacement Project were closed, as most of the project was done in the 2017-2018 school year and finally deemed completed in 2018-2019. This project saved the Town thousands of dollars. Superintendent Sally Keating had worked closely with Director Brian McGlew and Business Manager Diana Cormier with the State Department of Administrative Services to implement this project.

During the 2018-2019 school year, a new three year contract (2019-2022) was negotiated with the LEA. This contract included moves from a traditional PPO-type health plan to a High Deductible Health Plan (HDHP) and Health Savings Account (HSA) arrangement for all LEA members.

Security and Safety remained top priorities. Fire drills, evacuation drills, shelter-in-place and lockdown drills were conducted throughout the year, in compliance with our All Hazard School Security and Safety Plan. State Troopers were in attendance for some of these drills to offer support and feedback. Feedback was consistently positive.

The Board of Education Policy Committee and the Superintendent continued to update policies per State regulations and/or as the need arose. These members worked diligently on policy revisions and did a thorough job. All Board of Education policies can be found on the Lisbon School District website. (www.lisbonschool.org). There is also a Board of Education Policy Book located in the main office for review.

LCS has very supportive and involved parents as well as community members. During the 2018-2019 school year, participation in school events continued to be at an all-time high. The PTO also had a very successful year. PTO sponsored dances, movies, fun runs, etc. Additionally, they funded guest speakers and assemblies. They did numerous fundraisers and also provided meals and snacks for staff during special celebrations such as Teacher Appreciation Week and Parent-Teacher Conferences. The LCS PTO has continued to be a vibrant, hardworking and dedicated group of people.

Lisbon is an outstanding school district with an excellent reputation for doing what is in the best interest of students. Lisbon can be very proud of its entire school community.

Respectfully Submitted,

Sally Keating

Sally Keating-Superintendent of Schools

Lisbon 2018-19 annual report

Board Of Education

Ian Rogers, Chairman
Judy Jencks, Vice Chair
Melissa Avery, Secretary

Jenny Danburg Joan Marshall
Melissa Krauss Scott McCabe
Joseph Lewerk David Nowakowski

Administration

Superintendent	Sally Keating
Principal	Brian Apperson
Special Education Director	Margaret Courter
Business Manager	Diana Cormier

Staff

Shelley Apperson	1 st Grade	Tammy Lerro	Special Education
Rita Baldwin	6 th Grade-LA	Tricia Maynard	Kindergarten
Ashley Coleman	Nurse's Aide	Colleen McNally-Reamer	Administrative Assistant to the Superintendent & Business Manager
Stephen Brown	5 th & 8 th Grade Science	Rita Miller	Music
Monica Bromkamp	EL Tutor	Martin Mlyniec	6 th & 7 th Grade Science
Claudia Conway	Preschool	Michelle Mlyniec	Speech Pathologist
Joan Curtiss	Music	Richard Moreau	Special Education
Michael Davidson	Computer/Testing	Dr. Joyce Pope	Interim School Psychologist
Nicole Desrosier	Educational Assistant	Rebecca Overholt	Preschool
Kathleen Edmond	Special Education Secretary	Kelly Piper	Special Education
Alyssa Fabry	6 th , 7 th , & 8 th Grade Health	Eric Quinn	Special Education
Thomas Farrow	7 th & 8 th Grade Math	Erin Quinn	Media Specialist
Judy Fontaine-Higgins	6 th & 7 th Grade Social Study/7 th Grade Language Arts	Cheri Riotte	3 rd Grade
Paulette Galyas	Educational Assistant	Lynn Rochette	Special Education
Kate Gilgenbach	5 th Grade ELA/Soc. Studies	Amy Rogulski	Educational Assistant
Robin Gore	Certified Occupational Therapist Assistant	Ashley Roy	Kindergarten
Joseph Gracia	Video / Technology / STEM	Jennifer Rugarber	Speech Pathologist
Stacey Guertin	2 nd Grade	Erica Sanders	Business Office Clerk
Theresa Hart	Special Education	Phyllis Serra	1 st Grade
Natalie Hungerford	3 rd Grade	Heidi Sheldon	7 th & 8 th Grade Spanish/8 th Grade Social Studies
Rachel Ibbison	Special Education	Christine (Shogren) Healy	4 th Grade
Megan Jenkins	2 nd Grade	Katherine Snyder	School Counselor
Ellen Joly	Physical Education	Lisa Surfus	Attendance Secretary
Sarah Komosky	Special Education	Theresa Svab	School Nurse
Kimberly Lang	7 th & 8 th Grade LA Arts	Jane Sweet	4 th Grade
Julie Lepore	Reading/SRBI Coordinator	Anne (Townsend) Orkney	Art
		Jamie Webster	Principal's Secretary
		Todd Wheeler	5 th -6 th Grade Math

Interns

Emily Callahan Alexus Johnson-Miller Elizabeth Riordan

Custodial Staff

Brian McGlew – Maintenance Director Donna Gladue Jon Houle Laura Gray Martin Shea

Cafeteria Staff

Michael Rossi – Food Service Director BillieSue Burelle Ellen Sobanski Micheline Plourde Kelly Wezner

School Readiness Staff

Courtney Kinmonth Jacinta Blanchette Jamie Lagace

School Age Childcare Staff

Colleen McNally-Reamer – Program Manager Joseph Gracia Erica Sanders Madeline Brown Brian Valdini

**Lisbon Central School
Grade 8 Graduates
2018 - 2019**

Danielle Allard	Alexis Johnson
Fednord Badio	Shamus Kirby
Fletcher Ballaro	** Avery Koziol
Summer Barber	* Samantha Labonte
* Nevaeh Barylski	Alexander LeSage
Nina Baton	Tommy Mattson
* Ashlee Beckwith	Christopher Maynard
Chase Bowker	Sage Messina
*/** Danika Brown	Cody Morell
Cameron Celey	Bailey Nichols
Deklyn Christianson	*/** Rachel Orcutt
Jason Ciliano	Katelyn Pasieka
Jewell Ciliano	Alyssa Pescatello
Calvin Coughlin	Andrew Reck
Tavish Coughlin	Trinity Robinson
Tyler Danburg	* Kyle Roode
Acacia Denesha	Isabella Rosado
Reese Fox	Reilly Rutherford
Hunter Frechette	Hannah Sabukewicz
* Katelyn Friday	Jacob Skipper
Daniechka Garcia	Sage St. Francis
*/** Abigail Garstka	Kody Starr
Anna Gosselin	*/** Gage Weber
* Emily Grant	Jacob Weidner
* Natalia Grant	Alexis Wheeler
Gabrielle Hood	Tyler White

* *Gold Cord – Indicates Membership in National Junior Honor Society*

** *Blue & White Cord – Indicates students who served as Student Ambassadors*

2018-2019 Annual Report of The Lisbon Commission on Aging

Lisbon Senior Center serves as your gateway to the aging network, connecting you to community services that will help you stay healthy and independent. A variety of programs are offered; from information and assistance; health, wellness and exercise programs; van transportation; meals, both at the center and the daily delivery of Meals on Wheels; benefits counseling; social and recreational activities, to intergenerational events and volunteer opportunities. Anyone 55+ from any town is welcome at the center. We have adopted an official mission statement as follows: "To be a welcoming setting for socialization, activities, trips, classes and maintaining the health, independence and well-being of active agers".

During the 2018-2019 fiscal year the center had over 5,400 visits; served over 2,000 meals on wheels; 2,300 lunches from its in-house sandwich program; and the van provided over 500 rides.

Updates to the center include new carpeting and repainting in the lounge. Updated appliances for the kitchen: a full sized freezer, refrigerator and two dishwashers.

Lisbon Senior Center is a highly recognized community focal point, certified by the Area Agency on Aging. The Shooting Stars, again, did fundraising and augmented your tax dollars to provide extras. They sponsored several day trips including plays at Providence Performing Arts, Newport Playhouse and Theatre by the Sea, as well as lighthouse cruises, The Essex Steam Train, Foxwoods Casino and the annual trip to The Big E. They gave awards to Lisbon Central School graduates in the areas of art, music, drama, best all-around and most improved; and subsidized our annual holiday luncheon. A portion of the newly painted areas were also subsidized.

All of the activities/programs can be found in the Lisbon section of a 9-town website: www.seniorcenterct.org/lisbon and Facebook page: www.facebook.com/lisbonseniorcenter. There is also a bi-monthly newsletter.

The Lisbon Commission on Aging sets policies and guidelines, assesses and analyzes the needs of Lisbon's elderly and their families. The Commission meets on the first Monday of the month at the Senior Center at 7:00 and welcomes all to attend. Feel free to contact the Senior Center at 860-376-2329 with your questions or for more information. You can also contact any of the Commission members. They are Lee Szruba, Chair, Joe Doran, Blanche Todriff, Mary Grant, Fidelis Kershaw, Carol Sadowski, Donna Gahrman, Patricia Walburn and Karen Washington.

Lisbon Recreation Committee 2018/2019 Annual Report

The Lisbon Recreation Committee (LRC) consisted of the following members who met on the third Monday of each month: TJ Restivo (vice-chair), Nancy Smigiel, Chris Fabry, Lauren Sylvestre, Andrea Kelly, Andrew Lagace, and Meagan Sikorsky.

The committee is charged with developing and overseeing recreational programs that benefit the health and wellness of our townsfolk while maintaining and improving the recreational facilities throughout the town of Lisbon.

The on-going improvements and maintenance that the recreation committee continued to invest in the recreational facilities have resulted in continued high usage by Lisbon citizens and beyond. Our online request system continues to allow the LRC to be more effective in monitoring field usage.

Several projects were completed by the Recreation Committee over the past year including the installation and opening of a Disc Golf course in Lisbon Meadows Park, repair of the pedestrian bridge, installation of a new LMP gate, resurfacing of the basketball court and Gaga Ball court behind Lisbon Central School (LCS), and further enhancements to the LMP trail system.

The Recreation Committee's agreements with Jordan Brook Landscaping and Lawn Care Etc. continued to ensure all athletic fields were in quality condition to provide teams/users playable and safe softball, baseball, and soccer fields. Lisbon townspeople continuously use these facilities, as noted above.

The annual August Red Sox Bus Trip sold out once again.

The women's volleyball program saw a successful 17th season under the administration of program director Nancy Smigiel. Sixteen teams averaging 8 players each compete in weekly matches on courts at the Lisbon Central School. The season began in September with a skills and drills clinic and wrapped up in May with a League Awards Banquet. This program was entirely financially self-sufficient with all program expenses covered by the fees that the participants pay. The Recreation Committee partnered with the LCS physical education department, sharing the equipment so youngsters interested in playing volleyball have the opportunity.

The youth basketball program was run by Chris Fabry and continues to grow in participants. There were four leagues: pre-school/Kindergarten clinic, 1st/2nd grade, 3rd/4th grade, and 5th/6th grade. Teams practiced on Monday and Wednesday nights and played games on Saturday mornings. The league ran from November to early March. The older divisions competed against teams from Canterbury, Preston, and Franklin.

Over the winter, Steve Brown, LCS science teacher, coordinated the annual two ski bus trips to Mt. Snow. Both trips sold out in advance.

On April 27th, the Recreation Committee sponsored the annual Easter Egg Hunt. Inclement weather caused the event to be rescheduled affecting participation. Children were organized into three age groups: under 4, 4 to 6-year old, 7 to 10-year old. Recreation Committee members stuffed eggs and

set up the various Egg Hunt age group areas. The Recreation Committee is still considering expanding the event by working in conjunction with other organizations in town.

The Recreation Committee is seeking new members to fill vacancies that are open.



Supporting *Local Farmers* and the *Good Health* of the community!

Annual Report – Fiscal Year 2018/2019

The FY 2018/2019 Lisbon Farmers' Market Committee consisted of the following volunteer members: Sharon Gabiga (Chairman), John Algieri; Adeline Jernstrom; Elaine Joseph (Secretary); Terry Joseph; and alternate Meredith Savluck. Amanda Moreno, Market Manager, started the paid position in August 2018.

The Lisbon Farmers' Market, a CT Grown Certified Market, runs from late June through early September on Thursdays, 3:30 PM – 6:30 PM at Lisbon Meadows Park (by the "barn"). The "Market Pal" program was in effect during the 2018/2019 fiscal year but was discontinued for the 2019 market season (2019/2020 fiscal year).

Vendors secured for the 2019 season (which began in FY 2018/2019 and ended in FY 2019/2020) were as follows: Grants Berry Patch (vegetables and fruit) and Johnny B-Good Garlic (garlic & cut flowers), both of Lisbon; BZB Farm (poultry and meat); Swampy Acres Farm (meats and vegetables); 18th Century Purity Farms (vegetables and fruit); Willow Pond Farm (meats); Rural Heritage Arts (jams & pickles); Dove Hill Farm (vegetables and canned goods); Blueberry Hill Organic Farm (organic vegetables); Country Comfort Cooking (baked goods); 1 Stone Farm & Cheesery; Freak of Nature Soap; For His Glory Signs; Life Expressions Decor; k-9 Cookie Confectionery (dog treats); Mika Skin Care (soap & skin-care products); Shiloh's Preference (dog treats); April's Balloon Creations; AAA Driving School; Elaine n' the Sun (crafts); Annalyn Jewelry, and Jaqui's Studio of Fine Art.

Community vendors included: Saint Mary's Food Pantry; Friends of Pachaug; Slater Memorial Library; CT Draft Horse Rescue; 06351 ROCKS!!; Lisbon Fire Department; USDA Farm Service Agency; Southern New England Agility Club and Boy Scouts of America.

Food trucks: Pop's Premium Ice Cream and Shish Kabob Aliscious.

Music: James Taylor and regional bluegrass artists.

Sponsors: Jewett City Savings Bank, The Home Depot and Renewal by Anderson Windows. The Lisbon Fall Festival Committee was once again generous in providing us with the space and access to the Community Center ("barn"). The Lisbon Fire Department very graciously donated their time and energy to both the "Touch-a-Truck" and "Autumn Bonfires" markets.

Revenues / Expenditures

FY2018/2019 - \$1812.00 in revenue / \$2347.95 in expenses

FY2019/2020 (up to December 31, 2019) - \$760.00 in revenue / \$1072.22 in expenses

If you or someone you know offers CT Grown or Produced products and would like to join the Lisbon Farmers' Market as a full time, part time or guest vendor, please go to the Farmers' Market Committee page on the Town of Lisbon website at <https://www.lisbonct.com/farmers-market-committee> for more information.



MARK A. ROBINSON

CHIEF

860-234-7134

JOHN INGRANELLI

DEPUTY CHIEF

860-501-8417

**7 NEWENT ROAD, LISBON, CONNECTICUT 06351
VOICE 860.376.2558 FAX 860.376.0493**

January 18, 2020

Board of Finance
Town of Lisbon
1 Newent Road
Lisbon, CT 06351

Re: Annual Report 2018-2019

Dear Board Members:

During the fiscal year 2018-2019, the Lisbon Fire Department and Ambulance responded to a total of 689 calls for assistance.

Call Volume Break Down

Fire	13	Hazardous Condition	8	Service Call	13
Rescue & EMS	546	Good Intent	31	False Alarm	36
Motor Vehicle Accident	37	Vehicle fire	3	Brush Fire	2

The department and its members continue to strive and meet or exceed regulations and training requirements set forth by the State and Federal Department of Labor, the Department of Occupational Safety and Health Administration (OSHA), the National Fire Protection Association (NFPA), the State of Connecticut Department of Emergency Medical Services (OEMS) and Medical Control from Backus Hospital.

It is thru the volunteer efforts of our members that the Lisbon Fire Department and Ambulance takes great pride that our volunteer department keeps and maintains a level professionalism and is as sophisticated and complex as any "paid" fire/ambulance organization remaining committed to providing the best in fire and emergency medical services to residents of the Town of Lisbon.

Respectfully submitted,

Mark A Robinson
Chief

Lisbon Historical Society

Annual Report

2018-2019

The Lisbon Historical Society, Inc. is a 501(c) 3 nonprofit, volunteer organization whose mission is to promote an interest and foster appreciation of the rich history and culture of the town of Lisbon, the Scenic By-Way and the Last Green Valley. The Society collects artifacts and preserves the historic places and structures significant to the community and it is responsible for the restoration and maintenance of the grounds and buildings associated with the John Bishop House, the Anshei Israel Synagogue, Burnham Tavern, and the Old Coach Road (North Burnham Highway).

Outreach

The Historical Society's community outreach begins with the annual Summer Open House at the John Bishop House. From June to September Society volunteers open the house on Saturdays for visitors.

During the town-wide annual Fall Festival, the John Bishop House Museum opened for tours, open-hearth cooking, and fundraising. All events were free to the public.

Activities continued with an open house, hearth cooking and fundraising in December.

Our collaborative partnership with Lisbon Central School's Service Learning program to boost civic engagement is ongoing. Once again, an eight-grade student attended the monthly business meetings and participated in our outreach activities. We continue to sponsor the Lisbon Historical Society *Excellence in History* award. A certificate and cash scholarship was presented to the graduating eighth grader recommended by Lisbon Central School.

The Lisbon Historical Society supports the activities of the local Boy and Girl Scouts troops. This year, scout Thomas Fowler completed his Eagle Scout Service project at the John Bishop House Museum. Aging wallpaper was removed, the plaster walls repaired, prepped and painted in several areas.

Restoration and Renovation

Burnham Tavern - Located on the National Scenic Byway, Burnham Tavern is an archeological and restoration site, that is not yet open to the public. A new sill at the rear of the Burnham Tavern was installed and it sits on a new stone foundation. Several artifacts were recovered during the foundation excavation including a small leather shoe sole, scissors and pieces of metal yet to be identified. Also completed were repairs to the corner post and girt between the first and second floor. This work led to the discovery of evidence of a doorway, on the east side of the structure. The funding for this was from a \$10,000 matching grant from the 1772 Foundation and overseen by the Connecticut Trust. The remaining funds were used for work to tie in and match the sill for the ell, and the corner post on the west side of the Tavern. The additional work is consistent with the intent of restoration to the rear of the building. The project came in under budget and on time and will continue using a new grant. Building permits are issued for all work with inspection by the town of Lisbon Building Official.

The property's farm field roads were rebuilt and the cornfields kept in good order for the local tenant farmer. A milkweed field, also known as a Monarch Waystation, was reclaimed to provide a stopover habitat.

John Bishop House Museum – Routine maintenance is ongoing. Three sides of the building were scraped, sanded, and painted in this budget year. The Society maintains two gardens at the John Bishop House museum. The herb garden on the south lawn contains specimens typically found in the 1800s and north garden is a traditional three sister's garden.

Anshei Israel Synagogue – Routine maintenance is ongoing. The synagogue is listed on the National Register of Historic Places and is open to the public upon request.

Revenue

Funding sources largely include can and bottle redemption program which generated \$5,992. The Historical Society sorts, bags and transports over 120,000 containers of plastic, glass and aluminum cans annually to several beverage distributors, retailers and the ARC redemption center in Woodstock, CT. Two major grants this budget year are \$10,000 from the 1772 Foundation, and \$15,000 from the CT Neighborhood Assistance Act, two Town preservation grants, as well as revenue raised from the annual Holiday Open House, bake sales, member in-kind services, individual donations, and 1935.5 volunteer hours.

Information Sources

The John Bishop House is the repository for the Town Historian's library of research material. The collection is available for use by the public at no charge.

Upcoming events, town history, and information pertaining to other historic properties are found on webpage www.lisbonhistoricalct.org and on our *Facebook* page. We offer, at no charge, several pamphlets about the John Bishop House, and a booklet on the Anshei Israel synagogue, *A Refuge in the Country*, is available at the Bishop House and the town hall.

The Society meets the second Friday of the month in the Lisbon town hall.

Respectfully submitted,

Kim Sperry

Lisbon Planning and Zoning Commission

Annual Report

July 1, 2018 – June 30, 2019

During the course of the fiscal year annual report period, the Planning and Zoning Commission held twelve (12) regularly scheduled meetings, and five (5) public hearings and two (2) workshops. The workshops included a Joint Land Use Training workshop presented by Town Planner, Michael J. Murphy, AICP, Consulting Planner-SCCOG and attended by members of the Planning and Zoning Commission, Zoning Board of Appeals and Zoning Enforcement Officer. The Commission received and acted on four (4) zoning permit applications, one (1) modification to an approved zoning permit (2) special permit applications and one (1) text amendment. The text amendment allows for Contractors Home Enterprises, by special permit in all residential zones.

The Commission approved a resolution to approve Updated Compilation of the Zoning Regulations to include zoning history through 2018 and approved a policy of Defending Appeals Application, regarding primary responsibility for defending an appeal of a Zoning decision.

The Commission received and responded to six (6) referrals from neighboring municipalities and (2) from the town of Lisbon Zoning Board of Appeals regarding side yard requirements.

The Town Planner continued development and kept the Commission apprised of the status of the Town of Lisbon's MS4 storm water regulatory program. Federal regulations require the owners/operators of regulated municipal separate storm sewer systems (MS4s) to develop, implement, and enforce a storm water management program (SWMP). The Planner also continued work on the Route 12 Commercial Corridor Zoning Project. Mr. Murphy also initiated Planning and Zoning Actions for Compliance with Lisbon Small Cities Housing Rehab Program Grant Requirements.

The Commission is made up of nine regular members and two alternates whose duties include: weighing the merits of a land use application, establishing zoning regulations, holding public hearings as required, preparing the town's Plan of Conservation and Development every ten years, and establishing subdivision regulations, among others. Planning and Zoning Commissioners attend regular meetings the 1st Tuesday of every month, special meetings as required, hold public hearings and workshops in the public interest, and attend land use and planning seminars as part of the Commission's continuing education.

The Planning and Zoning Commission is a member of the Connecticut Federation of Planning and Zoning Agencies. The town's Regional Planning Commission representative and Chairman is Commissioner and Vice Chair Ronald Giroux. Alternate Commission member Cheryl Blanchard is the Town's appointed alternate representative.

All Planning and Zoning meetings, regular and special meetings, public hearings, and workshops are open to the public. Residents are encouraged to attend.

Respectfully submitted,

Kim E. Sperry
Secretary

Registrar of Voters

As Registrars of Voters, it is our duty to provide easy access and assistance to any Citizen over the age of 18 who wants to register for the right to vote in any election or referendum held in the municipality in which they live.

We are responsible for the elections, primaries and referendums held each year. We also are responsible for maintaining the voting machines, the registry list and the enrollment lists for each district and major party, also a yearly canvass is done to provide us with correct information of voter status.

As Election Administrators it is our responsibility to provide fair and impartial elections to all who are registered to vote within the town. We must choose locations that are easily accessible to include all people. The Registrar's work closely with the Town Clerk in preparing for all election. We must hire our staff and have mandated training classes prior to each election or referendum for all poll workers which were held April and October we held two mandated training sessions for election workers.

Lisbon has two polling places:

Lisbon Town Hall with 985 voters and the Lisbon Senior Center with 1802 voters. For our referendums, only, we have combined the two districts into one at the Town Hall to save the taxpayer money.

Also conducted was the annual canvass of voters. This enables us to keep addresses up-to-date. We both attended the Secretary of State and ROVAC conferences one in the spring and the other in the fall. During these conferences we network with other Registrars and keep current on new legislation which impacts our office. We also attend our monthly New London County Association meetings with our colleagues to keep up-to-date on regulations and how they impact our towns.

Respectfully,

Mary Grant, Republican Registrar of Voters

Stephen Barrett, Democratic Registrar of

Voters



Trail Committee

1 NEWENT ROAD
LISBON, CT 06351

The Lisbon Trail Committee continued working on its goals to, (1) identify and recommend to the Board of Selectmen, those parcels of land owned by the Town of Lisbon, that are most appropriate to accommodate recreational trails, (2) research funding opportunities (state, federal and/or private), (3) assist the Board of Selectmen, Town Engineer, Conservation Commission and any board, committee or commission tasked with design and/or development of recreational trails in the Town of Lisbon. Eight volunteers continued under appointment by the Board of Selectmen along with three student ambassadors from Lisbon Central School focused primarily on property at 223 North Burnham Highway.

The culmination of the Trail Committee's first effort was the opening in October 2018 of the 1.5 mile trail network in the woods surrounding the fields and pastures of the historic Burnham Tavern on North Burnham Highway. The dedication of the trails occurred on October 14th in conjunction with Walktober 2018, The Last Green Valley National Heritage Corridor's annual showcase of the historical and natural beauty of the Quinebaug and Shetucket River valleys. TLGV also generously sponsored the signage and trail markings for the trail network.

During the remainder of 2018 and through the first half of 2019 members of the Trail Committee volunteered nearly 90 hours to the maintenance and development of the Burnham Tavern Trails and, in conjunction with the Lisbon Historical Society, steward of the Burnham Tavern, planned development of a dedicated parking area at 62 Kimball Rd. in January 2019. Additionally, committee members completed survey work for the installation of six stream and wetland crossings to improve the accessibility of the Burnham Tavern Trails to the town's population. Our hope is that everyone will continue enjoying the dedicated open-spaces, natural beauty, and historical heritage of our town.

Respectfully submitted,

Joseph P. Lewerk, Chairman

**Tree Warden
Annual Report 2018 – 2019**

This has once again been a tough year on our region's trees. For the last four or more years, the gypsy moths have defoliated trees each season. The state continued to be aggressive in taking down dead trees on state roads, and the Town continues to do its part to remove dangerous trees on town property and secondary roads, including those specimens that have been infected by the Emerald Ash Borer.

Please remember that trees on town property will not be removed if they are healthy or are not in any way a hazard to the community. I would also like to remind people that, for your own safety, you should always contact a professional to remove trees from your property, should removal be necessary.

If you have any concerns about a tree, you may contact the First Selectman's Office at 860-376-3400, or contact me directly at 860-908-4669.

Terry Joseph,
Tree Warden, Town of Lisbon



STATE OF CONNECTICUT

Accredited since 1988

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF STATE POLICE LISBON RESIDENT TROOPER

2019 Annual Report

This year's annual report is the culmination of the past year's statistics for the Town of Lisbon. The report is detailed and reveals all motor vehicle activity as well as criminal activity that has been investigated through the Resident Trooper's Office and Troop E in Montville.

Total Calls for Service:	3,609
Total Accidents Investigated:	255
Total Criminal Investigations:	140
Total Citizen and Medical Assists:	405
DUI Arrests:	18
Total Motor Vehicle Citations:	1,198
Total Motor Vehicle Stops:	1,209

The Lisbon Resident Trooper's Office is committed to the public safety of this community. During the course of 2019, the Lisbon Resident Trooper's office participated in several noteworthy events including; teaching the 6th Grade D.A.R.E classes, traffic control for local road races, Toys for Tots Toy Drive, assisted Jewett City Resident Trooper for toy drive benefiting more than 20 Lisbon families, Fall Festival Community Policing, Lisbon Central School Safety and Security/ Emergency Plans Board member, Lock Down and Evacuation drills, Halloween Trick or Trunk Event, continued communications with local businesses, wrote and facilitated a CT Department of Transportation Comprehensive DUI Grant, Addressed Sixth, Seventh, and Eighth Grade students about Internet Safety, continued to monitor and utilize the Lisbon Resident Trooper Facebook page to connect with the public, and worked closely with School Administration. I have dedicated time every week to be visible inside the school and develop relationships with students, teachers, and parents. Every effort was made to make sure Pistol Permits were correctly processed to allow for quick turnaround for approval.

Lisbon Resident Trooper TPR. Joseph Adams #1360

Newent Road

Lisbon, CT 06351 TEL (860) 376-8868

An Equal Opportunity Employer

#1360

Uncas Health District

CHIEF PROGRAM ADMINISTRATOR: Patrick McCormack

PHONE NUMBER: (860) 823-1189

MISSION: “The Uncas Health District exists to promote and protect the public’s health in order to prevent illness, death and disability among its residents.”

VISION: The Uncas Health District will continue to monitor changes and trends to prepare for emerging Public Health issues.

GOALS & ACTION PLANS: The Uncas Health District utilizes regional, state, and national data to develop programs and provide resources to meet the mandated functions of local public health, while incorporating additional programming to address trends and needs to improve the health of residents.

FY 2018/19 ACCOMPLISHMENTS:

- The Uncas Health District is comprised of eleven municipalities and 99,553 residents.
- The Uncas Health District’s full-time public health nurse continues to provide prevention services including vaccination services and screenings.
- The Uncas Health District helps with access to health insurance in the State of Connecticut.
- The Uncas Health District provides Certified Food Protection Manager training on a monthly basis and FAST (Food Awareness Safety Training) as needed to individuals and groups serving food on a temporary basis.
- The Uncas Health District continues to implement grants to support the Public Health Emergency Preparedness Program, Medical Reserve Corps, Teen Outreach Program, Falls Prevention, Lead Poisoning Prevention, Prescription Drug Prevention, Tobacco Cessation, and Hepatitis C prevention.
- Syringe Services Programming is now available to provide a linkage to substance use disorder treatment; access to and disposal of sterile syringes and injection equipment; and linkage to care and treatment for infectious diseases.
- The Uncas Health District staff members participated in numerous coalitions, advisory groups, boards, commissions, and other partnerships to collaborate on various initiatives intended to improve the lives of the residents including the Eastern CT Health Collaborative, the SCCOG Human Services Advisory Committee and the UCFS Board of Directors.

MEASURES OF ACTIVITY AND PERFORMANCE (Health District)

<i>Town of Lisbon</i>		18-19
INDICATOR		ACTUAL
	Restaurant Inspections	30
	Complaints Investigated	17
	Complaints Closed	15
	Septic Permits	43
	Discharge Permits	33
	Well Permits	15
	Public Bathing Area Samples	14
	Group Home / Daycare Inspections	1
	Campground Inspections	3
	Public Pool Inspection	1
	Septic & B100a Plans Reviewed	27
	Temporary Food Permits	7
	Salon Inspections	8



Water Pollution Control Authority

1 NEWENT ROAD
LISBON, CT 06351

The Water Pollution Control Authority continued to operate under regulations established in 2002 in accordance with the provisions of Chapter 103, Section 7-247, of the Connecticut General Statutes. The Authority's jurisdiction includes the Lisbon Sewer District which extends from Lisbon Landing and the Crossing at Lisbon retail areas north along Connecticut Route 12 (River Road) and abutting properties to the Griswold Town line. Wastewater from this district is treated at facilities in the Borough of Jewett City in the Town of Griswold through contractual agreements. Movement of wastewater is via a town-owned system that includes a pump station north of the Interstate 395 interchange to the east of Route 12. Additionally, the Authority oversees a legacy system which services a limited number of residential customers living on Papermill and Versailles Roads adjacent to the village of Versailles, Town of Sprague. Connected to the Sprague Water & Sewer Authority system, wastewater is handled by Norwich Public Utilities utilizing a connection across the Shetucket River to the Occum section of Norwich.

This year saw the replacement of the flow meter at the Jewett City end of the system and the replacement and repositioning of a sump pump and electrical services to avoid flooding concerns. The WPCA marked the departure from the authority in December 2018 of Bob LaChapelle. Over nearly 18 years, Bob served as Chairman, volunteering countless hours, night and day, to overseeing the maintenance and expansion of the commercial sewer system. Among the major WPCA maintenance projects were the replacement of man hole structures along busy Route 12 and a comprehensive internal inspection of the system via video.

As Chairman, Bob also dedicated significant time working with developers and contractors on the expansion of the sewer system to service new commercial customers in the Crossing at Lisbon and elsewhere in the Route 12/River Rd. sewer district. Bob also spearheaded the WPCA's transfer of contracted system maintenance and monitoring services from private contractors and the Jewett City Department of Public Utilities Sewer Division to Norwich Public Utilities. This change allowed for more comprehensive, cost-effective support for the system.

Bob's final effort on behalf of the WPCA was monitoring the complete replacement of the two pumps at the station off Route 12 at the end of 2018. This replacement strengthened the long-term viability of the sewer system that is the backbone of Lisbon's commercial district. Many thanks to Bob for his years of dedicated service!

In January, Ken Robb was elected chairman of the WPCA and in March oversaw the semi-annual system inspections of grease traps in conjunction with Towne Engineering. The effort identified potential problems and prescribed solutions to customers in the Route 12 sewer district.

Throughout the year the Authority continued to optimize the efficient and economical operation of its assets for the benefit of the Town of Lisbon, its client businesses and residents.

Respectfully submitted,

Joseph P. Lewerk, Secretary

Lisbon 2018-19 annual report



TOWN OF LISBON
INCORPORATED 1786

ZONING BOARD OF APPEALS
1 NEWENT ROAD
LISBON, CONNECTICUT 06351
TEL. 860-376-3400
FAX 860-376-6545



Annual Report Narrative Fiscal Year 2018/2019

The Zoning Board of Appeals had a total of two applications during the 2018/2019 Fiscal year. These applications and the decisions were as follows:

Application #18-02 by N. Verguson, 57 Town House Road, for a variance to section 8.4 (side-yard variance in the R-80 zone), to erect a garage 50 feet from the road and 17 feet from the property line. APPROVED

Application #18-03 by A. Homsey, 8 Gavin Way, for a variance to section 8.4 (side-yard variance in the R-60 zone), to accommodate a front porch and future addition 40 feet from the property line. APPROVED

The Board had a FY2018/2019 budget of \$2500.00 and of that, spent \$1274.13.

Respectfully,

Steven Beck, Chairman

TOWN OF LISBON, CONNECTICUT

Annual Financial Statements

For the Year Ended June 30, 2019

TOWN OF LISBON, CONNECTICUT
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For the Year Ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Lisbon, Connecticut

Report on the Financial Statements

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 Lisbon, CT, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Lisbon, CT's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Lisbon, CT, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–10, budgetary comparison information on pages 48-55, and Pension and OPEB schedules on pages 56-59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

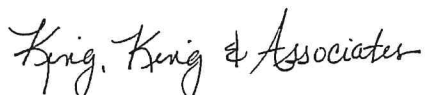
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lisbon, CT's basic financial statements. The combining and individual nonmajor fund financial statements and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2019, on our consideration of the Town of Lisbon, CT's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Lisbon, CT's internal control over financial reporting and compliance.



King, King & Associates, P.C., CPAs
Winsted, CT
November 9, 2019

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2019

As management of the Town of Lisbon, CT, we offer readers of the Town of Lisbon, CT's financial statements this narrative overview and analysis of the financial activities of the Town of Lisbon, CT for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- The assets of the Town of Lisbon, CT exceeded its liabilities at the close of the most recent fiscal year by \$16,345,981 (*net position*). Governmental activities reflect an unrestricted net position in the amount of \$2,289,631 which may be used to meet ongoing obligations to citizens and creditors. Restricted Net Position of \$948,670 is restricted for various programs such as small cities loans, road repairs and maintenance, education, and others.
- In the Town's business-type activities, total net position decreased by \$145,565.
- As of the close of the current fiscal year, the Town of Lisbon, CT's governmental funds reported combined ending fund balances of \$5,126,022, an increase of \$770,831 in comparison with the prior year. Of this amount, \$1,525,743 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,525,743 or 11.10 percent of total General Fund expenditures. The total fund balance of the General Fund was \$2,098,501 or 15.27 percent of total General Fund expenditures.
- The Town has a contract with a major taxpayer, Wheelabrator, to pay \$1,000,000 in lieu of taxes annually as well as royalties of approximately \$150,000. This is approximately 10% of the general fund revenues. This contract is coming to an end in December 2020. Subsequent to year-end a new 10-year agreement was signed that will begin January 2021. Wheelabrator will pay \$417,500 in lieu of taxes annually as well as royalties of approximately \$150,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The *statement of activities* presents information showing how the government's net position is 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 periods (e.g., earned but unused vacation leave).

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2019

Both of the government-wide financial statements distinguish functions of the Town of Lisbon, CT that are principally supported by 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 of Lisbon, CT include education, public safety, general government, public works, health and welfare, and recreation. Property taxes, state and federal grants, and local revenues such as fees and licenses finance most of these activities. The business-type activities of the Town of Lisbon, CT include fees to customers to help it cover all or most of the cost of certain services it provides.

The government-wide financial statements can be found on pages 11-12 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Lisbon, CT, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Lisbon, CT 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 government'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.

The Town of Lisbon, CT, maintains ten (10) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Nonrecurring Fund and the Town Aid Roads Fund. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Lisbon, CT, adopts an annual appropriated 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 pages 13-16 of this report.

Proprietary Funds. The Town maintains one proprietary fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority.

The basic proprietary fund financial statements can be found on pages 17-19 of this report.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2019

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

The basic fiduciary fund financial statements can be found on pages 20-21 of this report.

Notes to the 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 22-47 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Lisbon, CT, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16,345,981 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 6,337,267	\$ 5,841,092	\$ 182,305	\$ 223,462	\$ 6,519,572	\$ 6,064,554
Capital Assets	12,116,405	12,750,085	2,474,344	2,579,005	14,590,749	15,329,090
Total Assets	18,453,672	18,591,177	2,656,649	2,802,467	21,110,321	21,393,644
Deferred Outflows of Resources	681,382	152,546	-	-	681,382	152,546
Long-term Liabilities	4,282,724	4,631,609	-	-	4,282,724	4,631,609
Other Liabilities	1,030,518	553,670	59,314	59,537	1,089,832	613,207
Total Liabilities	5,313,242	5,185,279	59,314	59,537	5,372,556	5,244,816
Deferred Inflows of Resources	73,196	54,522	-	-	73,196	54,522
Net Position:						
Net Investment in Capital Assets	10,510,315	10,752,473	2,474,344	2,579,005	12,984,659	13,331,478
Restricted	948,670	350,527	-	-	948,670	350,527
Unrestricted	2,289,631	2,400,922	123,021	163,925	2,412,652	2,564,847
Total Net Position	\$ 13,748,616	\$ 13,503,922	\$ 2,597,365	\$ 2,742,930	\$ 16,345,981	\$ 16,246,852

The largest portion of the Town's net position reflects its investment in capital assets (land, buildings and systems, machinery and equipment, and infrastructure assets such as roads and bridges) less any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to its citizens; consequently, these assets are not available for spending. Net investment in capital assets decreased by \$346,819 primarily due to depreciation being greater than fixed asset additions and the pay down of related debt.

The Town's restricted net position of \$948,670 increased by \$598,143 compared to last years restricted net position of \$350,527. The increase is primarily due to the classification of the Town Aid Road fund balance as restricted instead of assigned.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2019

The Town's unrestricted net position of \$2,412,652 decreased by \$152,195 compared to last years unrestricted net position of \$2,564,847. This decrease is primarily due to the Town Aid Road fund balance being classified as restricted less the current years increase in Net Position.

	Governmental Activities		Business-Type Activities		Totals	
	2019	2018	2019	2018	2019	2018
REVENUES						
<i>General Revenues:</i>						
Property Taxes	\$ 9,504,361	\$ 9,342,508	\$ -	\$ -	\$ 9,504,361	\$ 9,342,508
Unrestricted Grants & Contributions	327,644	173,124	-	-	327,644	173,124
Unrestricted Investment Income	148,399	82,028	3,633	187	152,032	82,215
<i>Program Revenues:</i>						
Charges for Services	546,940	479,067	118,593	111,416	665,533	590,483
Operating Grants and Contributions	5,612,277	5,445,988	-	-	5,612,277	5,445,988
Capital Grants and Contributions	410,764	567,824	-	-	410,764	567,824
Total Revenues	<u>16,550,385</u>	<u>16,090,539</u>	<u>122,226</u>	<u>111,603</u>	<u>16,672,611</u>	<u>16,202,142</u>
EXPENSES						
<i>Governmental Activities:</i>						
General Government	1,786,990	1,584,955	-	-	1,786,990	1,584,955
Fire Protection	225,990	201,670	-	-	225,990	201,670
Police Protection	162,890	197,399	-	-	162,890	197,399
Highways and Streets	898,328	740,974	-	-	898,328	740,974
Seniors and Senior Center	153,260	143,468	-	-	153,260	143,468
Recreation	105,004	87,340	-	-	105,004	87,340
Education	12,951,945	11,917,733	-	-	12,951,945	11,917,733
Interest on Long-Term Debt	21,284	76,548	-	-	21,284	76,548
<i>Business-Type Activities:</i>						
Water Pollution Control Authority	-	-	267,791	228,643	267,791	228,643
Total Expenses	<u>16,305,691</u>	<u>14,950,087</u>	<u>267,791</u>	<u>228,643</u>	<u>16,573,482</u>	<u>15,178,730</u>
Change in Net Position	244,694	1,140,452	(145,565)	(117,040)	99,129	1,023,412
Beginning Net Position	13,503,922	12,363,470	2,742,930	2,859,970	16,246,852	15,223,440
Ending Net Position	<u>\$ 13,748,616</u>	<u>\$ 13,503,922</u>	<u>\$ 2,597,365</u>	<u>\$ 2,742,930</u>	<u>\$ 16,345,981</u>	<u>\$ 16,246,852</u>

Governmental activities. Governmental activities increased the Town of Lisbon, CT's net position by \$244,694.

Key elements of this increase are as follows:

- Property tax revenues increased by \$161,853. This is the only significant source of funding the Town can increase to offset decreasing funding from the state. And, with the State's financial condition being so weak and a potential loss of significant revenues from the trash energy plant, property tax rates are expected to continue to increase.
- Investment income increased by \$66,371 due to effective management of the Towns savings accounts.
- There was an increase in the education and operating grants due to an increase in the TRB OPEB which is a gross up recognized by the Town.

TOWN OF LISBON, CONNECTICUT
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June 30, 2019

Fifty-eight percent (58%) of the revenues of the Town were derived from property taxes, followed by thirty-eight percent (38%) from grants and contributions, three percent (3%) from charges for services and one percent (1%) of the Town's revenue in the fiscal year was derived from investment and other income.

Seventy-nine percent (79%) of the expenses of the Town relate to education, six percent (6%) relate to highways and streets, two percent (2%) relate to fire and police protection, two percent (2%) relate to seniors and recreation, and eleven percent (11%) relate to general government.

Business-Type activities. The business-type activities consist of the Water Pollution Control Authority. The Authority's cost and expenses are a direct result of the amount of waste flowing from the Town into the Jewett City Waste Water Treatment Plant. Revenue and expenses will vary from year to year based on the flow from the residences and businesses connected to the system.

The activity of the Authority has been relatively consistent as the system has not been expanding to significant new users in recent years. The Authority shows a loss each year, but it is primarily due to the depreciation expense, a non-cash expense, and any repairs needed to the lines. This year depreciation totaled \$104,661 and the decrease in net position totaled \$145,565.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds. The focus of the Town of Lisbon, CT'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 of Lisbon, CT'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.

As of the end of the current fiscal year, the Town of Lisbon, CT's governmental funds reported combined ending fund balances of \$5,126,022, an increase of \$770,831 in comparison with the prior year. Thirty percent (30%) of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

General Fund. The General Fund is the chief operating fund of the Town of Lisbon, CT. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,525,743. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 11.1 percent of total General Fund expenditures.

The fund balance of the Town of Lisbon, CT's General Fund increased by \$606,459 during the current fiscal year. Along with the budgeted surplus, key factors in this increase are as follows:

- Revenues coming in greater than budgeted, primarily in property taxes, building permits and investment income.
- Expenditures coming in less than budgeted, primarily in police protection, highways and streets, and recreation.

Town Aid Road Fund. The fund balance of the Town Aid Road Fund increased by \$19,064 during the current fiscal year. This increase is primarily attributable to interest and dividends of \$11,754 and spending \$7,310 less than the current years Town Aid Road grant received.

TOWN OF LISBON, CONNECTICUT
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Capital Nonrecurring Fund. The fund balance of the Capital Nonrecurring Fund increased by \$115,998 during the current fiscal year. This increase is primarily related to an authorized transfer from unassigned fund balance of the General Fund in the amount of \$178,000 to fund future capital projects and purchases, along with grants and interest and dividends received, less the current year capital outlays.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board of Finance can revise the Town budget with additional appropriations and budget transfers. Transfers do not increase the total budget, but instead move appropriations from one department to another department. State Statutes allow these transfers to be made by the Board of Finance without a Town Meeting. Below is a summarized view of the final budget and actual results for the General Fund:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property Taxes	\$ 8,501,416	\$ 8,591,003	\$ 89,587
Intergovernmental	3,364,118	3,317,573	(46,545)
Local Revenues	1,305,475	1,382,455	76,980
Investment Income	5,000	90,814	85,814
Total Revenues	<u>13,176,009</u>	<u>13,381,845</u>	<u>205,836</u>
EXPENDITURES			
Selectmen	2,801,764	2,657,389	144,375
Education	9,483,998	9,472,402	11,596
Capital Outlay	18,500	9,564	8,936
Debt Service	421,677	416,670	5,007
Total Expenditures	<u>12,725,939</u>	<u>12,556,025</u>	<u>169,914</u>
OTHER FINANCING SOURCES (USES)			
Appropriation from Fund Balance	20,999	-	(20,999)
Transfers	(85,000)	(178,000)	(93,000)
Total Other Financing Sources (Uses)	<u>(64,001)</u>	<u>(178,000)</u>	<u>(113,999)</u>
INCREASE (DECREASE)			
IN FUND BALANCE	<u>\$ 386,069</u>	<u>\$ 647,820</u>	<u>\$ 261,751</u>

The original approved budget projected a surplus of \$386,069. The Town approved additional appropriations from fund balance of \$20,999 during the year.

Actual revenues came in \$205,836 greater than budget. Much of this is due to lower than expected revenues from the State (under budget by \$46,545), offset by higher than expected tax collections (above budget by \$89,587), building permits (above budget by \$68,943) and investment income (above budget by \$85,814).

Expenditures were \$169,914 under the final budget with a number of appropriations significantly under budget which is primarily made up of non-allocated selectmen's expenditures which was \$23,767 under budget, police protection which was \$46,710 under budget, highways and streets which was \$20,695 under budget, and recreation which was \$24,338 under budget.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The Town of Lisbon, CT's reported value in capital assets for its governmental and business-type activities as of June 30, 2019, amounts to \$14,590,749 (net of accumulated depreciation). This reported value in capital assets includes land, buildings and systems, machinery and equipment, and infrastructure. The total decrease in the Town's investment in capital assets for the current fiscal year was \$738,341, which consisted of capital additions of \$133,519, offset by current year depreciation of \$710,404 and disposal of a chip seal for a road that the Town did not own of \$161,456.

	<u>2019</u>	<u>2018</u>
<i>Governmental Activities:</i>		
Land	\$ 2,612,463	\$ 2,612,463
Construction in Progress	-	499,235
Buildings and Systems	6,730,186	7,098,847
Machinery and Equipment	970,887	848,233
Infrastructure	1,802,869	1,691,307
	<u>\$ 12,116,405</u>	<u>\$ 12,750,085</u>

	<u>2019</u>	<u>2018</u>
<i>Business-type Activities:</i>		
Buildings and Systems	<u>\$ 2,474,344</u>	<u>\$ 2,579,005</u>

Major capital asset events during the current fiscal year included the following:

- Various road and drainage improvements.
- A new equipment trailer with ramps.
- Bleachers and bleacher winches.

Additional information on the Town of Lisbon, CT's capital assets can be found in Note 6 on page 32 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Lisbon, CT had long-term debt outstanding of \$4,282,724.

	<u>2019</u>	<u>2018</u>
G.O. Bonds	\$ 865,000	\$ 1,195,000
Unamortized Premium	66,090	82,612
Compensated Absences	339,977	305,458
OPEB Liability	1,693,888	1,542,606
Net Pension Liability	954,953	414,874
MERS Buy-In	362,816	371,059
Total	<u>\$ 4,282,724</u>	<u>\$ 3,911,609</u>

The Town of Lisbon, CT's total long-term debt increased \$371,115 (9.5 percent) during the current fiscal year due to increases in the Net Pension and OPEB Liabilities offset by paydowns of the General Obligation Bonds. Additional information on the Town of Lisbon, CT's long-term debt can be found in Note 7 on pages 33-34 of this report.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2019

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which from time to time will affect the amount of intergovernmental revenues the Town will receive.
- Increased threat of losing State funding will continue to be a variable in our local budget.
- The Town receives approximately \$1,150,000 of funding in lieu of taxes and royalties per year from Wheelabrator, a trash to energy plant in the Town. The current agreement expires in December 2020. The Town has negotiated a new 10-year agreement beginning in January 2021 in the amount of \$417,500 and tipping fees of \$0.50 per ton of non-Lisbon trash estimated at \$100,000 plus per year. Depending on the impact of development, it is estimated that the impact in lost revenue will result in a 0.5 mill increase in the 2021 and 2022 budgets.

All of these factors were considered in preparing the Town of Lisbon, CT's budget for the 2020 fiscal year and the Boards of Selectmen and Finance are preparing a plan of action for the worst-case scenarios.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Lisbon, CT's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board of Finance, Town of Lisbon, 1 Newent Road, Lisbon, CT 06351.

TOWN OF LISBON, CONNECTICUT

Statement of Net Position

June 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 5,620,968	\$ 168,945	\$ 5,789,913
Investments	4,091	-	4,091
Restricted Cash	119,072	-	119,072
Receivables, Net of Allowance	584,706	13,390	598,096
Other Assets	8,430	-	8,430
Capital Assets:			
Assets Not Being Depreciated	2,612,463	-	2,612,463
Assets Being Depreciated, Net	9,503,942	2,474,344	11,978,286
Total Assets	<u>18,453,672</u>	<u>2,656,679</u>	<u>21,110,351</u>
Deferred Outflows of Resources			
Deferred Outflows - Pension	618,175	-	618,175
Deferred Outflows - OPEB	63,207	-	63,207
Total Deferred Outflows of Resources	<u>681,382</u>	<u>-</u>	<u>681,382</u>
Liabilities			
Accounts Payable and Accrued Items	166,767	59,314	226,081
Unearned Revenue	57,785	-	57,785
Performance Bonds	119,072	-	119,072
Accrued Interest Payable	11,894	-	11,894
Bond Anticipation Note	675,000	-	675,000
Noncurrent Liabilities:			
Due Within One Year	276,157	-	276,157
Due In More Than One Year	4,006,567	-	4,006,567
Total Liabilities	<u>5,313,242</u>	<u>59,314</u>	<u>5,372,556</u>
Deferred Inflows of Resources			
Deferred Inflows - Pension	4,147	-	4,147
Deferred Inflows - OPEB	69,049	-	69,049
Total Deferred Inflows of Resources	<u>73,196</u>	<u>-</u>	<u>73,196</u>
Net Position			
Net Investment in Capital Assets	10,510,315	2,474,344	12,984,659
Restricted:			
Nonexpendable	1,100	-	1,100
Expendable	947,570	-	947,570
Unrestricted	2,289,631	123,021	2,412,652
Total Net Position	<u>\$ 13,748,616</u>	<u>\$ 2,597,365</u>	<u>\$ 16,345,981</u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT
Statement of Activities
For the Year Ended June 30, 2019

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Functions/Program Activities							
Governmental Activities:							
General Government	\$ 1,786,990	\$ 225,427	\$ 4,500	\$ -	\$ (1,557,063)		\$ (1,557,063)
Fire Protection	225,990	-	-	-	(225,990)		(225,990)
Police Protection	162,890	-	15,273	-	(147,617)		(147,617)
Highways and Streets	898,328	-	-	410,764	(487,564)		(487,564)
Seniors and Senior Center	153,260	36,222	318	-	(116,720)		(116,720)
Recreation	105,004	32,658	-	-	(72,346)		(72,346)
Education	12,951,945	252,633	5,592,186	-	(7,107,126)		(7,107,126)
Interest Expense	21,284	-	-	-	(21,284)		(21,284)
Total Governmental Activities	16,305,691	546,940	5,612,277	410,764	(9,735,710)		(9,735,710)
Business-Type Activities:							
Water Pollution Control Authority	267,791	118,593	-	-		(149,198)	(149,198)
Total Primary Government	\$ 16,573,482	\$ 665,533	\$ 5,612,277	\$ 410,764		(149,198)	(9,884,908)
General Revenues:							
Property Taxes, Payment in Lieu of Taxes, Interest and Liens					9,504,361	-	9,504,361
Grants and Contributions not Restricted to Specific Programs					327,644	-	327,644
Unrestricted Investment Earnings					148,399	3,633	152,032
Total General Revenues and Transfers					9,980,404	3,633	9,984,037
Change in Net Position					244,694	(145,565)	99,129
Net Position at Beginning of Year					13,503,922	2,742,930	16,246,852
Net Position at End of Year					\$ 13,748,616	\$ 2,597,365	\$ 16,345,981

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT

Balance Sheet
Governmental Funds
June 30, 2019

	General	Capital Nonrecurring Fund	Town Aid Roads Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 2,853,177	\$ 2,149,590	\$ 541,984	\$ 76,217	\$ 5,620,968
Investments	-	-	-	4,091	4,091
Restricted Cash	119,072	-	-	-	119,072
Receivables, Net of Allowance	256,245	-	-	328,461	584,706
Due from Other Funds	10	-	-	-	10
Other Assets	-	-	-	8,430	8,430
Total Assets	<u>\$ 3,228,504</u>	<u>\$ 2,149,590</u>	<u>\$ 541,984</u>	<u>\$ 417,199</u>	<u>\$ 6,337,277</u>
Liabilities					
Accounts Payable and Accrued Items	\$ 143,310	\$ -	\$ 22,276	\$ 1,181	\$ 166,767
Bond Anticipation Note	675,000	-	-	-	675,000
Due to Other Funds	-	-	-	10	10
Unearned Revenue	-	28,140	-	29,645	57,785
Performance Bonds	119,072	-	-	-	119,072
Total Liabilities	<u>937,382</u>	<u>28,140</u>	<u>22,276</u>	<u>30,836</u>	<u>1,018,634</u>
Deferred Inflows of Resources					
Unavailable Revenue:					
Property Taxes and Interest	133,722	-	-	-	133,722
Sewer Assessment Charges	58,899	-	-	-	58,899
Total Deferred Inflows of Resources	<u>192,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,621</u>
Fund Balances					
Nonspendable	-	-	-	1,100	1,100
Restricted	42,599	-	519,708	385,263	947,570
Committed	396,358	1,938,814	-	-	2,335,172
Assigned	133,801	182,636	-	-	316,437
Unassigned	1,525,743	-	-	-	1,525,743
Total Fund Balances	<u>2,098,501</u>	<u>2,121,450</u>	<u>519,708</u>	<u>386,363</u>	<u>5,126,022</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,228,504</u>	<u>\$ 2,149,590</u>	<u>\$ 541,984</u>	<u>\$ 417,199</u>	<u>\$ 6,337,277</u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2019

Fund balances reported in governmental funds Balance Sheet \$ 5,126,022

**Amounts reported for governmental activities in the government- wide
Statement of Net Position are different because:**

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds.

<i>Capital Assets</i>	23,658,824
<i>Depreciation</i>	(11,542,419)

Other long-term assets are not available to pay for current-period
expenditures and, therefore, are deferred in the funds.

<i>Property taxes and interest receivable greater than 60 days</i>	133,722
<i>Assessments receivable greater than 60 days</i>	58,899

*Certain changes related to pensions and OPEB are deferred and
amortized over time.*

608,186

Long-term liabilities are not due and payable in the current period
and, therefore, are not reported in the fund statements.

<i>Bonds payable</i>	(865,000)
<i>Bond premiums</i>	(66,090)
<i>Net Pension Liability - MERS</i>	(954,953)
<i>MERS payable</i>	(362,816)
<i>OPEB liability</i>	(1,693,888)
<i>Accrued interest</i>	(11,894)
<i>Compensated Absences</i>	<u>(339,977)</u>

Net position of governmental activities \$ 13,748,616

TOWN OF LISBON, CONNECTICUT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	General	Capital Nonrecurring Fund	Town Aid Roads Fund	Nonmajor Governmental Funds	Total
Revenues					
Property Taxes, Interest and Lien Fees	\$ 8,591,003	\$ -	\$ -	\$ -	\$ 8,591,003
Intergovernmental Revenues	4,458,563	231,089	179,675	520,882	5,390,209
Charges for Services	1,382,455	12,000	-	290,667	1,685,122
Interest and Dividends	90,814	45,755	11,754	76	148,399
Other	-	-	-	1,789	1,789
Total Revenues	<u>14,522,835</u>	<u>288,844</u>	<u>191,429</u>	<u>813,414</u>	<u>15,816,522</u>
Expenditures					
Current:					
General Government	1,647,791	-	-	8,638	1,656,429
Fire Protection	178,308	-	-	-	178,308
Police Protection	149,290	-	-	13,600	162,890
Highway and Streets	511,722	-	172,365	-	684,087
Seniors and Senior Center	116,785	-	-	34,702	151,487
Recreation	52,967	-	-	-	52,967
Education	10,700,279	-	-	727,164	11,427,443
Debt Service:					
Principal	330,000	-	-	-	330,000
Interest	41,670	-	-	-	41,670
Capital Outlay	9,564	350,846	-	-	360,410
Total Expenditures	<u>13,738,376</u>	<u>350,846</u>	<u>172,365</u>	<u>784,104</u>	<u>15,045,691</u>
Excess/(Deficiency) of Revenues over Expenditures	784,459	(62,002)	19,064	29,310	770,831
Other Financing Sources/(Uses)					
Transfers In	-	178,000	-	-	178,000
Transfers Out	(178,000)	-	-	-	(178,000)
Total Other Financing Sources/(Uses)	<u>(178,000)</u>	<u>178,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	606,459	115,998	19,064	29,310	770,831
Fund Balances at Beginning of Year, Restated	<u>1,492,042</u>	<u>2,005,452</u>	<u>500,644</u>	<u>357,053</u>	<u>4,355,191</u>
Fund Balances at End of Year	<u>\$ 2,098,501</u>	<u>\$ 2,121,450</u>	<u>\$ 519,708</u>	<u>\$ 386,363</u>	<u>\$ 5,126,022</u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2019

Net change in fund balances - total governmental funds	\$ 770,831
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**Amounts reported for governmental activities in the Statement of Activities
are different because:**

Governmental funds report capital outlays as expenditures. However,
in the Statement of Activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense.

<i>Capital outlay</i>	133,519
<i>Depreciation expense</i>	(605,743)
<i>Loss on Disposal</i>	(161,456)

Revenues in the Statement of Activities that do not provide current
financial resources are not reported as revenue in the funds.

<i>Property taxes and interest collected accrual basis change</i>	(56,528)
<i>Assessment revenue accrual basis change</i>	(6,437)

Debt proceeds provide current financial resources to governmental funds, but
issuing debt increases long-term liabilities in the Statement of Net Position.
Repayment of debt principal is an expenditure in the governmental funds, but
the repayment reduces long-term liabilities in the Statement of Net Position.

<i>General obligation bond principal payments</i>	330,000
<i>Amortization of premium</i>	16,522

<i>Amortization of deferred outflows related to pension and OPEB benefits</i>	528,836
<i>Amortization of deferred inflows related to pension and OPEB benefits</i>	(18,674)

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, including the change in:

<i>Accrued interest</i>	31,461
<i>Net Pension Liability - MERS</i>	(540,079)
<i>MERS payable</i>	8,243
<i>OPEB liability</i>	(151,282)
<i>Compensated Absences</i>	<u>(34,519)</u>

Change in net position of governmental activities	<u>\$ 244,694</u>
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The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT

Statement of Net Position

Proprietary Funds

June 30, 2019

	Water Pollution Control Authority Fund
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 168,945
Usage Receivable	13,390
Total Current Assets	<u>182,335</u>
Capital Assets:	
Buildings and Improvements	4,186,405
Less Accumulated Depreciation	<u>(1,712,061)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>2,474,344</u>
Total Assets	<u><u>\$ 2,656,679</u></u>
Deferred Outflows of Resources	<u>-</u>
Liabilities	
Current Liabilities:	
Accounts Payable	<u>\$ 59,314</u>
Deferred Inflows of Resources	<u>-</u>
Net Position	
Net Investment in Capital Assets	2,474,344
Unrestricted	<u>123,021</u>
Total Net Position	<u><u>\$ 2,597,365</u></u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2019

	Water Pollution Control Authority Fund
<hr/>	
OPERATING REVENUES	
Charges for Services	\$ 118,593
OPERATING EXPENSES	
Contractual Services	145,701
Other Supplies and Expenses	17,429
Depreciation Expense	<u>104,661</u>
Total Operating Expenses	<u>267,791</u>
Operating Income/(Loss)	(149,198)
NONOPERATING REVENUES (EXPENSES)	
Interest Income	<u>3,633</u>
Change in Net Position	(145,565)
Net Position - Beginning of Year	<u>2,742,930</u>
Net Position - End of Year	<u><u>\$ 2,597,365</u></u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT

Statement of Cash Flows

Proprietary Fund

For the Year Ended June 30, 2019

	Water Pollution Control Authority Fund
Cash Flows from Operating Activities:	
Receipts from Customers and Users	\$ 115,548
Payments to Suppliers	(163,353)
Net Cash Provided by Operating Activities	<u>(47,805)</u>
Cash Flows from Investing Activities:	
Interest Income	3,633
Net Cash Provided by Investing Activities	<u>3,633</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(44,172)
Cash and Cash Equivalents at Beginning of Year	<u>213,117</u>
Cash and Cash Equivalents at End of Year	<u>\$ 168,945</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities:	
Operating Income/(Loss)	\$ (149,198)
Adjustments to Reconcile Income/(Loss) to Net Cash Provided by Operating Activities:	
Depreciation	104,661
Change in Assets and Liabilities:	
(Increase) Decrease in Usage Receivable	(3,045)
Increase (Decrease) in Accounts Payable	(223)
Total Adjustments	<u>101,393</u>
Net Cash Provided by Operating Activities	<u>\$ (47,805)</u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Custodial Funds Student Activities
Assets	
Cash and Cash Equivalents	<u>\$ 32,006</u>
Net Position	
Restricted for Individuals and Organizations	<u>\$ 32,006</u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2019

	<u>Custodial Funds Student Activities</u>
Additions	
Charges for Services	\$ 52,958
Deductions	
Activities	<u>56,766</u>
Change in Net Position	(3,808)
Net Position at Beginning of Year	<u>35,814</u>
Net Position at End of Year	<u><u>\$ 32,006</u></u>

The notes to the financial statements are an integral part of this statement

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Town of Lisbon, Connecticut (the "Town") have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing the governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

Reporting Entity

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

The Town's financial statements include the accounts of all Town controlled operations. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Town of Lisbon (the primary government) and its component units. The basic criteria for inclusion of a component unit in a governmental unit's reporting entity for financial reporting is the exercise of oversight responsibility. Oversight responsibility is determined on the basis of financial interdependence, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service. Currently, there are no entities considered component units of the Town. The Town includes all funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Town's executive and legislative branches. The financial statements presented herein do not include agencies which have been formed under applicable State laws or separate and distinct units of government apart from the Town of Lisbon.

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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

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

Measurement Focus, Basis of Accounting, and Financial Statements Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue 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*. Their revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used 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.

Property taxes when levied, licenses, expenditure reimbursement type grants, certain intergovernmental revenues, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. For reimbursement grants, the Town considers revenues to be available if they are collected within one year of the end of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include: compensated absences, debt service, capital leases, other post-employment benefit obligations, and claims and judgments that are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Governmental Funds are those through which most governmental functions typically are financed. The following are the Town's major governmental funds:

- The *General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another manner. Revenues are derived primarily from property taxes, state grants, licenses, permits, charges for services, and earnings on investments.
- The *Capital Nonrecurring Fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.
- The *Town Aid Road Fund* is used to account for the expenditures against the state grant of the same name. This grant can only be used for expenditures for the Town's roads.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

The town reports the following major proprietary funds:

- The *Water Pollution Control Authority Fund* accounts for connection and usage fees and expenditures for the sewer system which is available to certain residents and businesses.

Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, and other governments. Fiduciary funds are not included in the government-wide financial statements. The fiduciary funds are as follows:

- The *Custodial Funds* account for resources held by the Town in a purely custodial capacity on behalf of student groups.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise funds are charges to customers for services. Operating expenses for the Enterprise funds include the cost of services, administrative expenses, depreciation, and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

Estimates

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

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

Cash and Cash Equivalents – The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and pooled investment funds, with original maturities of three months or less from the date of acquisition. This definition also applies to the proprietary funds statement of cash flows.

Investments - In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust whose portfolios are limited to obligations of the United States and its agencies, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Investments are stated at fair value, based on quoted market prices. Certificates of Deposit are reported at cost.

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

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Taxes Receivable - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Town has established an allowance for estimated uncollectible motor vehicle and personal property taxes and interest in the amount of \$16,248. Property taxes are assessed as of October 1 and billed the following July. Real property bills are payable in two installments, July 1 and January 1. Motor vehicle and personal property taxes are payable in one installment on July 1, with the Motor vehicle supplemental bills payable on January 1. Assessments for real and personal property, including motor vehicles, are computed at seventy percent of the market value. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date.

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

Due From/To Other Funds - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables and payables. They arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 for machinery, equipment, vehicles, land, and buildings and systems, and \$25,000 for infrastructure, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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.

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

Assets	Years
Buildings and Systems	20 - 40
Machinery, Equipment, and Vehicles	5 - 20
Infrastructure	20 - 50

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

Long-term obligations - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period they are incurred.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

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

Compensated absences - Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement.

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 position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred outflow or inflow of resources related to pensions and OPEB results from differences between expected and actual experience, the net difference between projected and actual earnings, change in proportional share, 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 (active employees and inactive employees) other than the net difference between projected and actual earnings which is included in expense over a five-year period and Town contributions subsequent to the measurement date which is included in the subsequent year.

The Town also reports unavailable revenue from property taxes and related interest in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund equity and net position– Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the net position of the Town, which is not restricted for any project or other purpose.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

When both restricted and unrestricted resources are available for certain expenses, the Town expends restricted resources first and uses unrestricted resources when the restricted funds are depleted.

In the fund financial statements, fund balances of governmental funds are classified in the following five separate categories:

Nonspendable Fund Balance – Indicates amounts that cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaid expenditures. Examples of items legally or contractually required to be maintained intact are the corpus of permanent funds.

Restricted Fund Balance – Indicates amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors or, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Indicates amounts that can be used only for specific purposes pursuant to formal action of the Town's highest level of decision-making authority. The Board of Finance can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town removes or changes the purpose by taking the same action that was used to establish the commitment.

Assigned Fund Balance – Indicates amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by action of Town Officials.

Unassigned Fund Balance – Represents the remaining fund balance after amounts are set aside for all other classifications.

When both restricted and unrestricted (committed, assigned, unassigned) amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted fund balance first if the expenditure meets the restricted purpose, followed by committed, assigned and unassigned amounts.

Fair Value of Financial Instruments

In accordance with GASB Statement No. 72, the Town is required to measure the fair value of its assets and liabilities under a three-level hierarchy, as follows:

Level 1: Quoted market prices for identical assets or liabilities to which an entity has access to at the measurement date.

Level 2: Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the assets or liability;
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and *unobservable inputs* reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Certificates of Deposit are reported at amortized cost and are excluded from the fair value disclosures.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A formal, legally approved, annual budget is adopted for the General Fund only.

The Boards of Selectmen and Education submit requests for appropriation(s) to the Board of Finance. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations of the next fiscal year.

The Board of Finance's estimated and recommended budget reports are submitted at the Annual Town Meeting. The Annual Town Meeting takes on this budget. After the Annual Town Meeting the Board of Finance meets to levy a tax on the grand list that will be sufficient to cover, together with other income or revenue surplus appropriated, the amounts appropriated and any revenue deficit of the Town.

The Board of Finance holds a public hearing, at which itemized estimates of the expenditures of the Town for the next fiscal year are presented. At this time, individuals are able to recommend any appropriations that they desire the Board of Finance to consider. The Board of Finance then considers the estimates and any other matters brought to their attention at a public meeting held subsequent to the public hearing and prior to the annual meeting. The Board of Finance prepares the proposed budget.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level except expenditures for education, which are, by State Statutes, appropriated as one department.

The governing body may amend the annual budget subject to the requirements of the Connecticut General Statutes. The Board of Finance may make a one-time additional appropriation up to \$20,000 to any appropriations.

A Town meeting must be called to make appropriations over \$20,000 or additional changes to a previously adjusted appropriation. During the year, \$20,999 of additional appropriations were made from fund balance. These increased the original budget by the same amount.

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 Statute 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".

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

The following is a summary of cash and cash equivalents at June 30, 2019:

	Governmental <u>Funds</u>	Proprietary <u>Funds</u>	Fiduciary <u>Funds</u>	<u>Total</u>
Cash	\$ 4,134,674	\$ 168,945	\$ 32,006	\$ 4,335,625
Cash Equivalents	1,486,294	-	-	1,486,294
Restricted Cash	119,072	-	-	119,072
Total	<u>\$ 5,740,040</u>	<u>\$ 168,945</u>	<u>\$ 32,006</u>	<u>\$ 5,940,991</u>

Custodial Credit Risk - Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's custodial credit risk policy is to only use banks that are in the State of Connecticut. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio. The following is a reconciliation of the Town's deposits subject to custodial credit risk:

Cash and Cash Equivalents	\$ 5,940,991
Less: Cash Equivalents (STIF)	(1,486,294)
Plus: Investments (CDs)	4,091
	<u>\$ 4,458,788</u>

At year-end, the Town's carrying amount of deposits subject to custodial credit risk was \$4,458,788 and the bank balance was \$4,986,580. Of the bank balance, Federal Depository Insurance Corporation insured \$566,242.

As of June 30, 2019, \$4,420,338 of the Town's bank balance of \$4,986,580 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 3,928,304
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	492,034
Total	<u>\$ 4,420,338</u>

Cash Equivalents

At June 30, 2019, the Town's cash equivalents (Short-Term Investment Fund "STIF") amounted to \$1,486,294. STIF is rated AAAM by Standard and Poor's and has an average maturity of under 60 days.

Investments

The following is a summary of investments at June 30, 2019:

	Governmental <u>Funds</u>
Certificates of Deposit	<u>\$ 4,091</u>

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Custodial Credit Risk - Investments. This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town's does not have a policy for custodial credit risk.

Credit Risk – The Town does not have an investment policy that limits investment choices further than the Connecticut General Statutes. Generally, credit risk is defined as the risk that an issuer of a debt type investment will not fulfill its obligation to the holder. This is measured by assignment of a rating by a nationally recognized rating organization.

Concentrations of Credit Risk – The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments.

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

As of June 30, 2019, the Town had the following investments subject to interest rate risk:

	<u>Total</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>
Certificates of Deposit	\$ 4,091	\$ 4,091	\$ -	\$ -

NOTE 4 – RECEIVABLES

Receivables as of year-end for the Town's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>WPCA</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:				
Property taxes	\$ 174,333	\$ -	\$ -	\$ 174,333
Interest, Liens, and Fees	39,261	-	-	39,261
Assessments	58,899	-	-	58,899
Usage Charges	-	13,390	-	13,390
Loans	-	-	297,442	297,442
Intergovernmental	-	-	26,038	26,038
Accounts	-	-	4,981	4,981
Gross Receivables	<u>272,493</u>	<u>13,390</u>	<u>328,461</u>	<u>614,344</u>
Less allowance for uncollectibles:				
Property taxes	(13,261)	-	-	(13,261)
Interest, Liens, and Fees	<u>(2,987)</u>	<u>-</u>	<u>-</u>	<u>(2,987)</u>
Total allowance	<u>(16,248)</u>	<u>-</u>	<u>-</u>	<u>(16,248)</u>
Net Total Receivables	<u>\$ 256,245</u>	<u>\$ 13,390</u>	<u>\$ 328,461</u>	<u>\$ 598,096</u>

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Governmental funds report unavailable revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
General Fund:		
Property Taxes and Interest	\$ 133,722	\$ -
Assessments	58,899	-
Capital Nonrecurring Fund:		
Advances on Grants	-	28,140
Other Governmental Funds:		
Advances on Grants	<u>-</u>	<u>29,645</u>
 Total Unavailable/Unearned Revenue for Governmental Funds	 <u>\$ 192,621</u>	 <u>\$ 57,785</u>

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The outstanding balances between funds result mainly from the time lag between the dates that: 1) inter-fund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. At June 30, 2019, the outstanding balances between funds were:

	<u>Due From:</u>		
	General <u>Fund</u>	Other Governmental <u>Funds</u>	<u>Total</u>
<u>Due To:</u>			
General Fund	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>

Fund transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and 2) to account for unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers during the year ended June 30, 2019 were as follows:

<u>Transfer Out:</u>	<u>Transfer In:</u>	<u>Total</u>
General Fund	Capital Nonrecurring Fund	\$ 178,000

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

NOTE 6 – CAPITAL ASSETS

The following is a summary of the change in capital assets as of June 30, 2019:

	Beginning <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	Ending <u>Balances</u>
<i>Governmental Activities:</i>					
Capital assets, not being depreciated					
Land	\$ 2,612,463	\$ -	\$ -	\$ -	\$ 2,612,463
Construction in Progress	499,235	-	(24,935)	(474,300)	-
Total capital assets, not being depreciated	<u>3,111,698</u>	<u>-</u>	<u>(24,935)</u>	<u>(474,300)</u>	<u>2,612,463</u>
Capital assets, being depreciated					
Buildings and Systems	14,609,240	-	-	-	14,609,240
Machinery & Equipment	3,768,780	29,943	(73,748)	255,650	3,980,625
Infrastructure	2,299,750	103,576	(165,480)	218,650	2,456,496
Total capital assets, being depreciated	<u>20,677,770</u>	<u>133,519</u>	<u>(239,228)</u>	<u>474,300</u>	<u>21,046,361</u>
Less accumulated depreciation for:					
Buildings and Systems	7,510,393	368,661	-	-	7,879,054
Machinery & Equipment	2,920,547	138,725	(73,748)	24,214	3,009,738
Infrastructure	608,443	98,357	(28,959)	(24,214)	653,627
Total accumulated depreciation, net	<u>11,039,383</u>	<u>605,743</u>	<u>(102,707)</u>	<u>-</u>	<u>11,542,419</u>
Total capital assets, being depreciated	<u>9,638,387</u>	<u>(472,224)</u>	<u>(136,521)</u>	<u>474,300</u>	<u>9,503,942</u>
<i>Governmental Activities capital assets, net</i>	<u>\$ 12,750,085</u>	<u>\$ (472,224)</u>	<u>\$ (161,456)</u>	<u>\$ -</u>	<u>\$ 12,116,405</u>
<i>Business-Type Activities:</i>					
Capital assets, being depreciated					
Buildings and Systems	\$ 4,186,405	\$ -	\$ -	\$ -	\$ 4,186,405
Less accumulated depreciation for:					
Buildings and Systems	<u>1,607,400</u>	<u>104,661</u>	<u>-</u>	<u>-</u>	<u>1,712,061</u>
<i>Business-Type Activities capital assets, net</i>	<u>\$ 2,579,005</u>	<u>\$ (104,661)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,474,344</u>

Depreciation and amortization expense were charged to functions/programs of the primary government as follows:

<i>Governmental Activities:</i>	
General Government	\$ 18,753
Fire Protection	47,412
Highways and Streets	140,024
Recreation	47,447
Seniors and Senior Center	1,773
Education	<u>350,334</u>
Total Depreciation Expense	
Governmental Activities	<u>\$ 605,743</u>
<i>Business-Type Activities:</i>	
WPCA	<u>\$ 104,661</u>

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

NOTE 7 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2019 was as follows:

Governmental Activities	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable:					
General Obligation Bonds	\$ 1,195,000	\$ -	\$ 330,000	\$ 865,000	\$ 220,000
Unamortized Premium	82,612	-	16,522	66,090	16,522
Total Bonds Payable	1,277,612	-	346,522	931,090	236,522
Compensated Absences	305,458	34,519	-	339,977	30,745
OPEB Liability	1,542,606	151,282	-	1,693,888	-
Net Pension Liability	414,874	540,079	-	954,953	-
MERS Buy-In	371,059	-	8,243	362,816	8,890
Total	<u>\$ 3,911,609</u>	<u>\$ 725,880</u>	<u>\$ 354,765</u>	<u>\$ 4,282,724</u>	<u>\$ 276,157</u>

Each governmental fund liability is liquidated by the respective fund to which it relates, primarily the General Fund. Interest on these obligations is expensed to the respective fund, primarily the General Fund.

General Obligation Bonds

The Town issues general obligation bonds to provide financing for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the Town and pledge the full faith and credit of the Town. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. General obligation bonds outstanding as of June 30, 2019 consisted of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal Outstanding June 30, 2019</u>
Water/Schools Refunding Bonds	2012	\$ 3,560,000	2 - 3%	7/15/2022	\$ 865,000

The annual debt service requirements of the Town's general obligation bonds are as follows:

<u>Year(s)</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 220,000	\$ 22,650	\$ 242,650
2021	220,000	16,050	236,050
2022	215,000	9,525	224,525
2023	210,000	3,150	213,150
Total	<u>\$ 865,000</u>	<u>\$ 51,375</u>	<u>\$ 916,375</u>

Interest paid and expensed on general obligation bonds for the year ended June 30, 2019 totaled \$30,900.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

MERS Pension Buy-In

The Town has a note outstanding totaling \$362,816 on the buy-in to the State pension plan with an interest rate of 7.85%. The future payments on this obligation will be paid out of the General Fund as follows:

Fiscal Year Ending	Principal	Interest
2020	\$ 8,890	\$ 26,950
2021	9,588	26,252
2022	10,341	25,499
2023	11,153	24,687
2024	12,028	23,812
2025-2029	75,881	103,319
2030-2034	110,730	68,470
2035-2038	124,205	19,155
	<u>\$ 362,816</u>	<u>\$ 318,144</u>

Interest incurred and expensed on the buy-in for the year ended June 30, 2019 totaled \$27,597.

Compensated Absences

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

NOTE 8 – SHORT-TERM LIABILITIES

Bond Anticipation Notes

The Town uses bond anticipation notes to fund construction costs prior to issuance of bonds. The following table summarizes changes in the Town's Bond Anticipation Notes for the year ended June 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance
Bond Anticipation Note	<u>\$ 720,000</u>	<u>\$ 675,000</u>	<u>\$ 720,000</u>	<u>\$ 675,000</u>

The outstanding bond anticipation note carries an interest rate of 2.45% and matures in August 2019. Total interest incurred and expensed on bond anticipation notes during the year was \$10,770.

NOTE 9 – TAX ABATEMENTS

The Town hosts Wheelabrator, a trash to energy plant. When the plant was built, the Town entered into a contract with Wheelabrator which abated property taxes on the plant in exchange for \$1,000,000 annual payments in lieu of property taxes per year. The contract also required that Wheelabrator pay royalties to the Town annually. These are approximately \$150,000 per year. The agreement is set to expire in December 2020. Subsequent to year-end, a new 10-year agreement was signed beginning December 2020. The new agreement includes annual payments of \$417,500 in lieu of property taxes along with royalties of approximately \$150,000 per year.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

NOTE 10 - FUND BALANCE COMPONENTS

The components of fund balance for the governmental funds at June 30, 2019 are as follows:

	General Fund	Capital Nonrecurring Fund	Town Aid Road Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Permanent Fund Principal	\$ -	\$ -	\$ -	\$ 1,100	\$ 1,100
Restricted for:					
General Government	\$ -	\$ -	\$ -	\$ 8,056	\$ 8,056
Public Works	-	-	519,708	-	519,708
Town Clerk Documents	42,599	-	-	-	42,599
Small Cities Loans	-	-	-	297,442	297,442
Education	-	-	-	66,323	66,323
Senior and Senior Center	-	-	-	13,442	13,442
Total Restricted	\$ 42,599	\$ -	\$ 519,708	\$ 385,263	\$ 947,570
Committed to:					
General Government	\$ 396,358	\$ -	\$ -	\$ -	\$ 396,358
Capital	-	1,938,814	-	-	1,938,814
Total Committed	\$ 396,358	\$ 1,938,814	\$ -	\$ -	\$ 2,335,172
Assigned:					
Education	\$ 133,801	\$ -	\$ -	\$ -	\$ 133,801
Capital	-	182,636	-	-	182,636
Total Assigned	\$ 133,801	\$ 182,636	\$ -	\$ -	\$ 316,437
Unassigned:	\$ 1,525,743	\$ -	\$ -	\$ -	\$ 1,525,743

NOTE 11 – RETIREMENT BENEFITS

Connecticut State Teacher's Retirement System

Plan Description: Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System (the "System"). The System is a cost sharing multiple-employer defined benefit pension plan administered by the Connecticut State Teachers' Retirement Board (CTRB). Chapter 167a of the State Statutes grants authority to establish and amend the benefited terms to the CTRB Board. The CTRB issues a publicly available financial report that can be obtained at www.ct.gov, or by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

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

Normal Retirement: Retirement benefits for the employees are calculated as 2% of the average annual salary times years of credited service (maximum benefit is 75% of average annual salary during the 3 highest years of salary).

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

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

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

Contributions: Per Connecticut General Statutes Section 10-183z, 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. The contributions made by the State on behalf of the District for the year ended June 30, 2019 were estimated to be \$971,012, and were recognized as revenues and expenditures in the General Fund.

Employees: Effective July 1, 1992, participants are required to contribute 7.25% of their annual salary to the System as required by the CGS Section 10-183b(7). Effective January 1, 2018, participants are required to contribute 8.25%. For the year ended June 30, 2019 the certified teachers' contribution to the Connecticut Teachers Retirement Board was \$255,517. Covered payroll for the town for the year ended June 30, 2019 was approximately \$3,097,173.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2019 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>10,046,917</u>
Total	<u>\$ 10,046,917</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2019, the Town had no proportionate share of the net pension liability.

For the year ended June 30, 2019, the Town recognized benefits expense and contribution revenue of \$971,012 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$1,127,589 for pension expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Actuarial Assumptions: The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 through June 30, 2015. The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.75 Percent
Salary increases, including inflation	3.25-6.50 Percent
Long-term investment rate of return, net of pension investment expense, including inflation.	8.00 Percent

Mortality rates were based on the RPH-2014 White Collar Table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equities	21.00%	5.80%
Developed Non-U.S. Equities	18.00%	6.60%
Emerging Markets (Non-U.S.)	9.00%	8.30%
Core Fixed Income	7.00%	1.30%
Inflation Linked Bond Fund	3.00%	1.00%
Emerging Market Bond	5.00%	3.70%
High-Yield Bonds	5.00%	3.90%
Real Estate	7.00%	5.10%
Private Equity	11.00%	7.60%
Alternative Investments	8.00%	4.10%
Cash	<u>6.00%</u>	0.40%
Total	<u>100.00%</u>	

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

Discount Rate: The discount rate used to measure the total pension liability was 8.0%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The Town's proportionate share of the net pension liability is \$0 and therefore the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Connecticut Municipal Employees' Retirement System

Plan Description: All Town employees not covered by the Town pension plan or the teacher retirement system participate in the Municipal Employees' Retirement System (MERS). This is a cost-sharing multiple-employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating local government authorities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

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

Normal Retirement: For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1.5% of the average of the three highest paid years of service not in excess of the year's breakpoint, times years of service. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

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

Disability Retirement – Service Connected: Employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50% of compensation at the time of disability, are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement – Non-Service Connected: Employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Death Benefit: Employees who are eligible for service, disability or early retirement and married for at least 12 months preceding death. Benefits are calculated based on the average of the three highest paid years of service and creditable service at date of death, payable to the spouse. Benefit is equal to 50% of the average of the life annuity allowance and the reduced 50% joint and survivor allowance.

Contributions - Member: Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2.25% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base.

Contributions – Employer: Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2019 the Town reports a total liability of \$954,953 for government-wide financials for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2018, the Town's proportion was 0.25%.

For the year ended June 30, 2019, the Town recognized pension expense of \$152,081. As of June 30, 2019, the Town reported deferred inflows and outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Town contributions subsequent to the measurement date	\$ 72,945	\$ -
Difference between projected and actual earnings	57,493	-
Difference between expected and actual experience	136,046	-
Change of assumptions	325,346	-
Change in proportional share	26,345	4,147
Total	<u>\$ 618,175</u>	<u>\$ 4,147</u>

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

Year ended June 30:

2020	\$ 171,106
2021	147,367
2022	103,090
2023	<u>119,520</u>
	<u>\$ 541,083</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases, including inflation	3.50-10.00 Percent
Long-term investment rate of return, net of pension investment expense, including inflation.	7.00 Percent

Mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees for the period after retirement and for dependent beneficiaries. The RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB is used by Police and Fire for the period after retirement and for dependent beneficiaries. For disabled retirees, the RP-2014 Disabled Retiree Mortality Table projected to 2020 by Scale BB is used.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2017.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	20.00%	5.30%
Developed Market International	11.00%	5.10%
Emerging Market International	9.00%	7.40%
Core Fixed Income	16.00%	1.60%
Inflation Linked Bond	5.00%	1.30%
Emerging Market Debt	5.00%	2.90%
High Yield Bonds	6.00%	3.40%
Real Estate	10.00%	4.70%
Private Equity	10.00%	7.30%
Alternative Investments	7.00%	3.20%
Liquidity Fund	1.00%	0.90%
Total	<u>100.00%</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension'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 investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the Town's proportionate share of the net pension liability, calculated using the discount rate of 7.00%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
Net Pension Liability as of June 30, 2019	\$ 1,288,253	\$ 954,953	\$ 568,751

Other Post-Employment Benefits

Plan Description: The Town currently provides to certain retired employees Other Post-Employment Benefits ("OPEB"). The plan provides healthcare insurance benefits for eligible retirees and their spouses. The plan is currently being funded on a pay as you go basis. The plan does not issue a publicly available financial report and is not included in the financial statements of another entity. No assets are accumulated in a trust that meets the criteria of GASB No. 75.

Contributions: The Town recommended contributions are actuarially determined on an annual basis using the entry age normal method. Contributions are established by contract and may be amended by union negotiations. The Town's total plan contribution was \$14,901 and the teachers retirement board subsidy was \$1,320.

Retired teachers and their spouses must be allowed to continue their health insurance benefits, in the same health insurance plan offered to active teachers, through their last employing Town. The Town does not contribute to the retirees' health insurance. The retirees pay 100% of the premiums in accordance with the Connecticut General Statutes.

Employees Covered by Benefit Terms: As of July 1, 2017, the following employees are covered by the benefit terms:

Retirees and beneficiaries receiving benefits	1
Active plan members	41
	42

Total OPEB Liability: The Town's total OPEB liability of \$1,693,888 was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2017.

Actuarial Assumptions and Other Inputs: The total OPEB liability was determined based upon a July 1, 2017 actuarial valuation for the Town using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Discount Rate	3.51% (Prior 3.87%)
Inflation Rate	2.60%

Healthcare Cost Trend Rates:

Initial Medical Trend Rate	7.50%
Ultimate Medical Trend Rate	4.60%
Year Ultimate Medical Trend Rate Reached	2023

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

The discount rate used is equal to the published Bond Buyer GO 20-Bond Municipal Index as of the measurement date.

Mortality rates were based on the RP-2014 adjusted to 2006 total dataset Mortality Table projected to valuation date with Scale MP-2017.

The current valuation reflects changes in the actuarial assumptions to represent the Enrolled Actuary's current best estimate of anticipated experience of the plan. The following areas had changes in assumptions:

- Interest decreased from 3.87% to 3.51%.
- Mortality tables changed from RP-2000 mortality tables projected to valuation date with scale AA to RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2017.
- Retirement and withdrawal rates changed from the Connecticut State TRS 2014 OPEB valuation to the 2016 OPEB valuation.
- Healthcare cost trend rates changed from 8.00% in 2015 reduced to an ultimate rate of 5.00% in 2021 and later to 7.50% in 2017 reduced to an ultimate rate of 4.60% in 2023 and later.

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 6/30/18	\$ 1,542,606
Changes for the year:	
Service Cost	59,080
Interest	61,674
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(22,655)
Changes in Assumptions or other Inputs	69,404
Benefit Payments	(16,221)
Net Changes	151,282
Balance at 6/30/19	\$ 1,693,888

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.51%) or 1-percentage-point higher (4.51%) than the current discount rate:

	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
Total OPEB Liability	\$ 1,911,076	\$ 1,693,888	\$ 1,510,980

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 1,453,500	\$ 1,693,888	\$ 1,986,895

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the Town recognized OPEB expense of \$118,345. As of June 30, 2019, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 25,014
Change of assumptions	63,207	44,035
Total	<u>\$ 63,207</u>	<u>\$ 69,049</u>

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

Year ended June 30:	
2020	\$ (1,089)
2021	(1,089)
2022	(1,089)
2023	(1,089)
2024	(1,089)
Thereafter	<u>(397)</u>
	<u>\$ (5,842)</u>

Connecticut Teachers' Retirement System - OPEB

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

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

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

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

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 amended and certified by the TRB and appropriated by the General Assembly. The State pays for one-third of plan costs through an annual appropriation in the General Fund.

School district employers are not required to make contributions to the Plan. The State of Connecticut's estimated allocated contribution to the Plan on behalf of the Town was \$26,940.

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.

Actuarial Assumptions - The total OPEB liability was determined by an actuarial valuation as of June 30, 2018 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.75%
Real Wage Growth	0.50%
Wage Inflation	3.25%
Salary increases	3.25-6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
<u>Municipal bond index rate:</u>	
Measurement Date	3.87%
Prior Measurement Date	3.56%

The projected fiduciary net position is projected to be depleted in 2019.

Single equivalent interest rate

Measurement Date	3.87%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	3.56%, net of OPEB plan investment expense, Including price inflation

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

Healthcare cost trend rates:

Pre-Medicare	5.95% for 2018 decreasing to an ultimate Rate of 4.75% by 2025
Medicare	5.00% for 2018 decreasing to an ultimate Rate of 4.75% by 2028

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

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

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

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

Asset Class	Target Allocation	Expected 10-Year Geometric Real Rate of Return	Standard Deviation
U.S. Treasuries (Cash Equivalents)	100.0%	0.27%	2.74%
Price inflation		2.75%	
Expected rate of return (Rounded nearest 0.25%)		3.00%	

Discount Rate - The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2018. In addition to the actuarial methods and assumptions of the June 30, 2018 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 3.25%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- No future employer contributions were assumed to be made.

Based on those assumptions, the plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates - The following presents the total OPEB liability, calculated using current cost trend rates, as well as what the Plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than current healthcare cost trend rates:

	1% Lower Trend Rates	Current Trend Rates	1% Higher Trend Rates
Initial Healthcare Cost Trend Rate	4.95%	5.95%	6.95%
Ultimate Healthcare Cost Trend Rate	3.75%	4.75%	5.75%
Total OPEB Liability	\$ 1,683,096	\$ 2,008,405	\$ 2,440,204

Sensitivity of the Net OPEB Liability to Changes in Discount Rates - The following presents the net OPEB liability, calculated using the current discount rate, as well as what the net 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 rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Net OPEB liability	\$ 2,384,820	\$ 2,008,405	\$ 1,707,975

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2019 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 were 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>2,008,405</u>
Total	<u>\$ 2,008,405</u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2018, the Town had no proportionate share of the net OPEB liability.

For the year ended June 30, 2019, the Town recognized OPEB expense and revenue of \$26,940 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$667,191 for OPEB expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

NOTE 12 – RISK MANAGEMENT

The Town is exposed to various risks of loss involving torts, theft of, damage to, and destruction of assets, errors and omissions, injuries of employees, natural disaster and public official liabilities. The Town generally obtains commercial insurance for these risks. Coverage has not been significantly reduced and settled claims have not exceeded commercial coverage in any of the last three fiscal years.

NOTE 13 – LITIGATION AND CONTINGENCIES

The Town is not a defendant in any lawsuits that, in the opinion of Town Management, in consultation with the Town Attorney, will have an adverse, material effect on the Town's financial position.

NOTE 14 – UPCOMING PRONOUNCEMENTS

GASB Pronouncements Issued, But Not Yet Effective

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

GASB Statement No. 87 – Leases - This statement improves the accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period - The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result, interest cost before the end of a construction period will not be included in the historical cost of the capital asset. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

NOTE 14 – PRIOR PERIOD RESTATEMENT

The beginning Fund Balance of the General Fund was decreased by \$720,000 to report the Bond Anticipation Note in the Governmental Funds. There was no impact on the current year's change in net position/fund balance.

NOTE 15 – SUBSEQUENT EVENTS

On August 8, 2019, the Town issued a General Obligation Bond Anticipation Note for \$630,000 and paid \$45,000 from the General Fund to pay off the maturing Bond Anticipation Note. The Note matures on August 7, 2020 and carries an interest rate of 2.05%.

On July 1, 2019, the Town paid off the outstanding balance of the MERS Pension Buy-In.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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	Budgeted Amounts		Actual	
	<u>Original</u>	<u>Amended</u>	<u>Budgetary</u>	<u>Variance</u>
			<u>Basis</u>	
REVENUES				
Property Taxes				
Property Taxes	\$ 8,476,416	\$ 8,476,416	\$ 8,584,132	\$ 107,716
Benefit Assessment - WPCA	20,000	20,000	6,871	(13,129)
Sewer Assessment	5,000	5,000	-	(5,000)
Total Property Taxes	<u>8,501,416</u>	<u>8,501,416</u>	<u>8,591,003</u>	<u>89,587</u>
Intergovernmental				
Education				
Education Cost Sharing	3,146,060	3,146,060	3,141,559	(4,501)
Other Educational Grants	11,442	11,442	11,700	258
Total Education	<u>3,157,502</u>	<u>3,157,502</u>	<u>3,153,259</u>	<u>(4,243)</u>
Other				
Pequot Funds	11,287	11,287	11,287	-
Municipal Stabilization Grant	139,316	139,316	139,316	-
Other Grants	23,683	23,683	7,373	(16,310)
Total Other	<u>174,286</u>	<u>174,286</u>	<u>157,976</u>	<u>(16,310)</u>
Tax Relief				
Elderly and Totally Disabled	25,000	25,000	-	(25,000)
Veterans	3,000	3,000	2,093	(907)
Totally Disabled	500	500	415	(85)
Payment in Lieu of Taxes - State Property	3,830	3,830	3,830	-
Total Tax Relief	<u>32,330</u>	<u>32,330</u>	<u>6,338</u>	<u>(25,992)</u>
Total Intergovernmental	<u>3,364,118</u>	<u>3,364,118</u>	<u>3,317,573</u>	<u>(46,545)</u>
Local Revenues				
Fees				
Land Fees	17,500	17,500	24,288	6,788
Preservation Fees	600	600	1,109	509
Planning and Zoning Fees	4,000	4,000	5,544	1,544
Miscellaneous Fees	1,500	1,500	5,349	3,849
Local Capital Improvement Fees	1,800	1,800	1,661	(139)
Sports License Fees	75	75	183	108
Dog License Fees	300	300	363	63
Total Fees	<u>25,775</u>	<u>25,775</u>	<u>38,497</u>	<u>12,722</u>
Permits				
Building Permits	52,500	52,500	121,443	68,943
Pistol Permits	2,000	2,000	2,450	450
Total Permits	<u>54,500</u>	<u>54,500</u>	<u>123,893</u>	<u>69,393</u>

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Charges for Services				
Conveyance Tax	\$ 25,000	\$ 25,000	\$ 41,012	\$ 16,012
Copies	7,000	7,000	8,213	1,213
Total Charges for Services	32,000	32,000	49,225	17,225
Wheelabrator				
Contract Fee	1,000,000	1,000,000	976,323	(23,677)
Host Community Royalties	149,000	149,000	146,829	(2,171)
Total Wheelabrator	1,149,000	1,149,000	1,123,152	(25,848)
Other				
Telecommunications Property	11,000	11,000	8,443	(2,557)
Recreation Committee Program Fees	33,000	33,000	32,658	(342)
Senior Van Donation Box	200	200	318	118
Tuition - Regular Education	-	-	-	-
Refunds	-	-	6,269	6,269
Total Other	44,200	44,200	47,688	3,488
Total Local Revenues	1,305,475	1,305,475	1,382,455	76,980
Investment Income	5,000	5,000	90,814	85,814
Total Revenues	13,176,009	13,176,009	13,381,845	205,836
EXPENDITURES				
General Government				
Selectmen's Office				
First Selectman's Salary	48,913	48,913	48,913	-
Second Selectman's Salary	5,269	5,269	5,268	1
Third Selectman's Salary	5,269	5,269	5,268	1
Bookkeeper's Salary	29,328	29,328	29,328	-
Secretary/Clerk's Salary	53,910	53,910	53,901	9
Selectmens' Supplies	3,000	3,000	2,997	3
Supplies and Expenses	3,000	3,000	1,328	1,672
Total Selectmen's Office	148,689	148,689	147,003	1,686
Town Clerk's Office				
Town Clerk's Salary	48,203	48,203	48,202	1
Assistant Town Clerk's Salary	22,183	22,323	22,313	10
Records Management Service	13,000	13,000	11,077	1,923
Supplies and Expenses	6,000	6,000	5,983	17
Vital Statistics	1,500	1,500	1,466	34
Document Preservation Grant	2	2	-	2
Total Town Clerk's Office	90,888	91,028	89,041	1,987

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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	Budgeted Amounts		Actual	
	<u>Original</u>	<u>Amended</u>	<u>Budgetary Basis</u>	<u>Variance</u>
Tax Collector's Office				
Tax Collector's Salary	\$ 40,963	\$ 40,963	\$ 40,963	\$ -
Tax Clerk's Wages	7,172	7,172	7,095	77
Contracted Service	2,863	2,863	2,840	23
Computer Management/Support	5,054	5,054	4,554	500
On-line Bill Pay	1,250	1,250	1,250	-
Tax Refunds	11,000	11,000	8,731	2,269
Supplies and Expense	4,250	4,250	3,939	311
Delinquent Motor Vehicle tax Fee	1,050	1,050	-	1,050
Total Tax Collector's Office	<u>73,602</u>	<u>73,602</u>	<u>69,372</u>	<u>4,230</u>
Assessor's Office				
Assessor's Salary	48,267	48,267	48,266	1
Assessor's Clerk Salary	8,716	8,716	8,570	146
Tax Mapping	6,500	6,500	6,484	16
Computer Maintenance/Support	14,140	14,140	14,140	-
Supplies and Expenses	3,365	3,365	3,362	3
Total Assessor's Office	<u>80,988</u>	<u>80,988</u>	<u>80,822</u>	<u>166</u>
Treasurer's Office				
Treasurer's Salary	19,362	19,362	19,361	1
Deputy Treasurer's Salary	1,000	1,000	1,000	-
Supplies and Expenses	250	250	57	193
Bank Charges	100	100	-	100
Total Treasurer's Office	<u>20,712</u>	<u>20,712</u>	<u>20,418</u>	<u>294</u>
Board of Finance				
Auditor	17,200	17,200	15,000	2,200
Supplies and Expenses	1,500	1,500	1,309	191
Total Board of Finance	<u>18,700</u>	<u>18,700</u>	<u>16,309</u>	<u>2,391</u>
Planning and Zoning				
Purchased Services	56,338	56,338	56,338	-
Supplies and Expenses	2,000	3,000	2,556	444
Total Planning and Zoning	<u>58,338</u>	<u>59,338</u>	<u>58,894</u>	<u>444</u>
Zoning Board of Appeals				
Supplies and Expenses	<u>2,500</u>	<u>2,500</u>	<u>1,275</u>	<u>1,225</u>
Board of Tax Review				
Salaries	825	825	825	-
Supplies and Expenses	225	225	163	62
Total Board of Tax Review	<u>1,050</u>	<u>1,050</u>	<u>988</u>	<u>62</u>

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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	Budgeted Amounts		Actual Budgetary Basis	Variance
	<u>Original</u>	<u>Amended</u>		
Conservation Committee				
Enforcement Officer	\$ 8,000	\$ 8,000	\$ 3,273	\$ 4,727
Supplies and Expenses	1,800	1,800	1,691	109
Total Conservation Committee	9,800	9,800	4,964	4,836
Recycling Committee				
Purchased Services	55,730	53,230	53,000	230
Supplies	101	101	-	101
Total Recycling Committee	55,831	53,331	53,000	331
Registrars of Voters				
Democratic Registrar's Salary	8,492	8,492	8,492	-
Republican Registrar's Salary	8,492	8,492	8,492	-
Purchased Services	1,000	1,000	889	111
Supplies and Expense	35,000	35,000	35,000	-
Democratic Deputy Registrar	300	300	300	-
Republican Deputy Registrar	300	300	300	-
Total Registrars of Voters	53,584	53,584	53,473	111
Clerk to the Boards				
Clerk to the Boards	10,000	10,000	9,957	43
Supplies and Expenses	600	600	478	122
Total Clerk to the Boards	10,600	10,600	10,435	165
Non-Allocated Expenditures				
Employee Insurance	255,000	293,650	291,938	1,712
Social Security and Medicare	58,000	58,654	58,654	-
Municipal Education	4,000	4,000	2,361	1,639
Unemployment Compensation	4,000	331	110	221
Union Related Contingency	5,600	5,600	5,600	-
Pension	500	10	-	10
Town Share Retirement Compensation	52,000	55,674	55,486	188
Employee Retirement Accrued Liability	38,050	38,050	38,050	-
Town Counsel	45,000	50,000	50,000	-
Town Engineer	50,000	50,000	44,614	5,386
Insurance and Bonding	198,000	198,000	198,000	-
Payroll Service	6,000	6,000	5,630	370
Consulting Fees/Contracted Services	52,662	52,662	52,210	452
Town Hall Utilities	27,000	27,000	20,872	6,128
Town Hall Maintenance	10,000	10,000	9,865	135
Town Hall Equipment Maintenance	1,500	1,500	405	1,095
Town Hall Computer	7,500	7,500	6,294	1,206

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
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	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Non-Allocated Expenditures (Continued)				
Town Hall Copier Maintenance	\$ 2,000	\$ 2,465	\$ 2,336	\$ 129
Town Hall Postage	10,000	10,000	6,719	3,281
Town Hall Supplies and Expense	3,250	3,250	2,881	369
Advertising and Communications	500	500	405	95
Walking Weekend	150	150	150	-
Donations	1,650	1,650	300	1,350
Auditors Contracted Services	1	1	-	1
Total Non-Allocated Expenditures	832,363	876,647	852,880	23,767
Town Memberships				
Town Memberships	92,982	92,982	92,377	605
Other Protection and Prevention				
Building Inspector Wages	27,500	27,500	27,430	70
Animal Control Officer's Salary	15,925	15,925	13,485	2,440
Recruitment/Retention	14,879	14,879	14,879	-
Zoning Enforcement Wages	10,000	10,000	9,977	23
Building Inspector Supplies and Expenses	2,500	2,500	2,499	1
Dog Damages	1	1	-	1
ZEO Supplies and Expenses	500	500	499	1
Total Other Protection and Prevention	71,305	71,305	68,769	2,536
Health and Welfare				
Public Health Nursing	4,000	326	-	326
Health Department	28,299	28,299	28,297	2
Sewer Line Fees	5,000	-	-	-
Total Health and Welfare	37,299	28,625	28,297	328
Total General Government	1,659,231	1,693,481	1,648,317	45,164
Fire Protection				
Lisbon Volunteer Fire Department	109,958	129,957	129,957	-
LVFD SCBA's	2,500	2,500	2,491	9
Hydrant Rental	32,162	32,162	32,161	1
Fire Marshal's Salary	8,387	8,387	6,572	1,815
Fire Marshal Supplies and Expense	3,000	3,000	2,305	695
Dept. of Emergency Mgmt. Director's Stipend	1,750	1,750	1,750	-
Tree Warden Stipend	200	200	200	-
Burning Official	200	200	200	-
Dept. of Emergency Mgmt. Expense	3,000	3,000	2,672	328
Total Fire Protection	161,157	181,156	178,308	2,848

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Police Protection				
Resident State Trooper Contract	\$ 187,311	\$ 182,311	\$ 144,841	\$ 37,470
Trooper's Supplies and Expenses	3,000	3,000	2,116	884
Resident State Trooper Overtime	10,689	10,689	2,333	8,356
Total Police Protection	<u>201,000</u>	<u>196,000</u>	<u>149,290</u>	<u>46,710</u>
Highways and Streets				
Highway Department Salaries	240,760	240,760	240,760	-
Street Lighting	30,000	30,400	29,919	481
Contracted Services	50,000	50,000	39,728	10,272
Town Garage Utilities	40,000	45,000	41,692	3,308
Town Equipment and Trucks	85,000	85,000	81,997	3,003
Highway Department Supplies	8,000	8,000	7,791	209
Road Repair and Maintenance	44,407	11,407	11,328	79
General Road Repair	20,000	19,350	18,753	597
Town Garage Maintenance	14,500	14,500	12,396	2,104
Sanitation	28,000	28,000	27,358	642
Total Highways and Streets	<u>560,667</u>	<u>532,417</u>	<u>511,722</u>	<u>20,695</u>
Seniors and Senior Center				
Senior Coordinator's Salary	41,559	41,559	41,558	1
Van Driver's Salary	22,659	22,659	22,354	305
Senior Meal Site Wages	18,087	18,087	17,595	492
Senior Center Coverage Wages	4,300	4,300	3,197	1,103
Senior Citizen's Services	3,500	3,500	3,304	196
Senior Center Utilities	15,000	14,800	13,263	1,537
Senior Center Maintenance	10,000	10,200	10,187	13
Senior Van Maintenance	2,900	2,900	2,522	378
Senior Coordinator Supplies	1,000	1,000	605	395
Senior Center Supplies	1,000	1,000	980	20
Senior Center Copier Expense	1,400	1,400	1,220	180
Total Seniors and Senior Center	<u>121,405</u>	<u>121,405</u>	<u>116,785</u>	<u>4,620</u>
Recreation				
Special Events	49,650	49,650	39,748	9,902
Recreation Purchased Services	19,000	19,000	8,190	10,810
Recreation Supplies	1,305	1,305	1,244	61
Recreation Maintenance of Municipal Rec Field:	2,150	2,150	-	2,150
Lisbon Meadows Park	5,200	5,200	3,785	1,415
Total Recreation	<u>77,305</u>	<u>77,305</u>	<u>52,967</u>	<u>24,338</u>
Education				
Board of Education	<u>9,483,998</u>	<u>9,483,998</u>	<u>9,472,402</u>	<u>11,596</u>

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Capital Outlay				
Capital Improvements	\$ 15,500	\$ 15,500	\$ 9,564	\$ 5,936
Equipment, Furniture, Fixtures	3,000	3,000	-	3,000
Total Capital Outlay	<u>18,500</u>	<u>18,500</u>	<u>9,564</u>	<u>8,936</u>
Debt Service				
Principal, General Obligation Bond	335,000	335,000	330,000	5,000
Principal, Hoydilla Property	45,000	45,000	45,000	-
Interest, General Obligation Bond	30,900	30,900	30,900	-
Interest, Hoydilla Property	10,777	10,777	10,770	7
Total Debt Service	<u>421,677</u>	<u>421,677</u>	<u>416,670</u>	<u>5,007</u>
Total Expenditures	<u>12,704,940</u>	<u>12,725,939</u>	<u>12,556,025</u>	<u>169,914</u>
Excess (Deficiency) of Revenues				
Over Expenditures	471,069	450,070	825,820	375,750
Other Financing Sources and (Uses)				
Appropriation from Fund Balance	-	20,999	-	(20,999)
Transfers Out	(85,000)	(85,000)	(178,000)	(93,000)
Total Other Financing Sources and (Uses)	<u>(85,000)</u>	<u>(64,001)</u>	<u>(178,000)</u>	<u>(113,999)</u>
Excess (Deficiency) of Revenues and Other				
Financing Sources over Expenditures and				
Other Financing (Uses) - Budgetary Basis	<u>\$ 386,069</u>	<u>\$ 386,069</u>	<u>647,820</u>	<u>\$ 261,751</u>
Adjustments to Generally Accepted Accounting Principles (GAAP):				
Payments on Behalf of the Town not Recorded on a Budgetary Basis:				
Revenues from Teachers' Retirement and OPEB			997,952	
Expenditures from Teachers' Retirement and OPEB			(997,952)	
Payments on Behalf of the Town not Recorded on a Budgetary Basis:				
Revenues from Excess Cost Grant			143,038	
Expenditures from Excess Cost Grant			(143,038)	
Encumbrances Recorded on a Budget Basis, but not on the Modified Accrual Basis:				
Prior Year Encumbrances			(206,536)	
Current Year Encumbrances			133,801	
Change in Accrued Payroll:				
Board of Education			(14,152)	
General Government			526	
Paydown of BAN is Reclassed Against Outstanding Balance			45,000	
Excess (Deficiency) of Revenues and Other Financing Sources				
over Expenditures and Other Financing (Uses) - GAAP Basis			<u>\$ 606,459</u>	

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2019

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Notes to Required Supplementary Information:

A formal, legally approved, annual budget is adopted for the General Fund. This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions: 1) The Town does not recognize revenue or expenditure amounts for the State Teachers' Pension and OPEB on-behalf amounts from the State of Connecticut. 2) The excess cost grant is net against the expenditures in accordance with state statutes. 3) Encumbrances are treated as expenditures against the budget in the year committed. 4) Payroll is budgeted on a cash basis. 5) Revenues and expenditures from refunding or renewing long-term debt or lease proceeds is included in the budget as the net revenue or expenditure.

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Connecticut Municipal Employees' Retirement System
Proportionate Share of the Net Pension Liability and Schedule of Contributions
Last Five Fiscal Years

**Schedule of Changes in the Net Pension Liability and Related Ratios
Last 10 Fiscal Years or Since Inception of GASB 68**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Percentage of Collective Net Pension Liability	0.250%	0.251%	0.251%	0.197%	0.197%
Town's Portion of Net Pension Liability	\$ 954,953	\$ 414,874	\$ 492,619	\$ 269,858	\$ 202,758
Town's Covered Payroll	\$ 702,823	\$ 597,453	\$ 597,453	\$ 437,388	\$ 437,388
Town's Portion of Net Pension Liability as a % of Covered Payroll	135.87%	69.44%	82.45%	61.70%	46.36%
Plan Fiduciary Net Position as a % of Total Pension Liability	73.60%	91.68%	88.29%	92.72%	90.48%

**Schedule of Employer Contributions
Since Inception of GASB 68**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Contractually Required Contribution	\$ 72,945	\$ 71,152	\$ 67,990	\$ 49,478	\$ 48,686
Town's Contributions in Relation to the Contractually Required Contribution	72,945	71,152	67,990	49,478	48,686
Town's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 702,823	\$ 597,453	\$ 597,453	\$ 437,388	\$ 437,388
Town's Contributions as a Percentage of Covered Payroll	10.38%	11.91%	11.38%	11.31%	11.13%

Notes to Schedule

Actuarial valuation date	June 30, 2018
Actuarial cost method	Entry age, normal cost method
Amortization method	Level dollar, closed
Remaining amortization period	21 years
Asset valuation method	Market Value on the measurement date.
Inflation	2.5% (Previously 3.25%)
Salary Increases	3.50%-10.00%, including inflation (Previously 4.25%-11.00%)
Investment rate of return	7.00% net of investment expense, including inflation (Previously 8.00%)

See accountant's report.

TOWN OF LISBON, CONNECTICUT
State Teachers' Retirement System
Proportionate Share of Net Pension Liability
Last Five Fiscal Years

Schedule of Proportionate Share of Net Pension Liability

	2019	2018	2017	2016	2015
Town's percentage of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	10,046,917	10,663,253	11,249,813	8,517,731	7,872,936
Total	\$ 10,046,917	\$ 10,663,253	\$ 11,249,813	\$ 8,517,731	\$ 7,872,936
Town's covered payroll	\$ 3,097,173	\$ 3,133,413	\$ 3,074,214	\$ 3,075,670	\$ 3,098,730
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll.	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

Changes of benefit terms	Beginning January 1, 2018, member contributions increased from 6% to 7% of salary.
Changes of assumptions	In 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2015.
Actuarial cost method	Entry Age
Amortization method	Level percent of salary, closed
Remaining amortization period	17.6 years
Asset valuation method	4-year smoothed market
Inflation	2.75%
Salary increases	3.25% - 6.50% average, including inflation
Investment rate of return	8.0% net of investment expense, including inflation

See accountant's report.

TOWN OF LISBON, CONNECTICUT
State Teachers' Retirement System
Proportionate Share of Net OPEB Liability
Last Two Fiscal Years

Schedule of Proportionate Share of Net OPEB Liability

	2019	2018
Town's percentage of the net OPEB liability	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	2,008,405	2,744,583
Total	\$ 2,008,405	\$ 2,744,583
Town's covered payroll	\$ 3,097,173	\$ 3,133,413
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll.	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.49%	1.79%

Notes to Schedule

Changes in Benefit Terms	Effective July 1, 2018, Medicare Advantage Plan was added to available options, changed the base plan to the Medicare Advantage Plan for the purposes of determining retiree subsidies and/or cost sharing amounts, and introduced a two-year waiting period for re-enrollment in a System-sponsored Plan for those who cancel their coverage or choose not to enroll after the effective date.
Changes of Assumptions	<p>The expected rate of return on assets was changed from 2.75% to 3.00% to reflect the anticipated return on cash and other high quality short-term fixed income investments.</p> <p>The discount rate was increased from 3.56% to 3.87% to reflect the change in the Municipal Bond Index Rate.</p> <p>Changes were also made to the assumed per capita health care claim costs, the assumed age related percentage increases in expected annual per capita health care claim costs, long-term health care cost trend rates, the percentage of retired members who are not currently participating in the Plan but are expected to elect coverage in the future, the percentage of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan, the post-disability mortality table, which was updated to extend the period of projected mortality improvements from 2017 to 2020, and the percentage of deferred vested members who will become ineligible for future health care benefits.</p>
Actuarial Cost Method	Entry age
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	30 years, open
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	3.00%, net of investment related expense

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Other Post Employment Benefits (OPEB)
Schedule of Changes in Net OPEB Liability
Last Two Fiscal Years

	2019	2018
Total OPEB Liability		
Service Cost	\$ 59,080	\$ 60,760
Interest	61,674	55,622
Differences Between Expected and Actual Experience	(22,655)	(5,334)
Changes of Assumptions	69,404	(53,609)
Benefit Payments	<u>(16,221)</u>	<u>(15,423)</u>
Net Change in Total OPEB Liability	151,282	42,016
Total OPEB Liability - Beginning	<u>1,542,606</u>	<u>1,500,590</u>
Total OPEB Liability - Ending*	<u><u>\$ 1,693,888</u></u>	<u><u>\$ 1,542,606</u></u>
 Covered Payroll	 \$ 3,063,360	 \$ 2,985,731
 Total OPEB Liability as a Percentage of Covered Payroll	 55.30%	 51.67%

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

See accountant's report.

TOWN OF LISBON, CONNECTICUT

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	SPECIAL REVENUE FUNDS					PERMANENT FUNDS		
	Miscellaneous	Cafeteria	After School	Shooting	Education	Palmer	Preston	Total
	Town Grant Fund	Fund	Child Care Fund	Stars Fund	Grants Fund	Fund	Learned Fund	
Assets								
Cash and Cash Equivalents	\$ 6,270	\$ 16,580	\$ 15,279	\$ 9,351	\$ 24,945	\$ 696	\$ 3,096	\$ 76,217
Investments	-	-	-	4,091	-	-	-	4,091
Receivables, Net	297,442	17,767	4,981	-	8,271	-	-	328,461
Other Assets	-	6,933	1,497	-	-	-	-	8,430
Due from Other Funds	-	-	-	-	-	-	-	-
Total Assets	\$ 303,712	\$ 41,280	\$ 21,757	\$ 13,442	\$ 33,216	\$ 696	\$ 3,096	\$ 417,199
Liabilities and Fund Balances								
Liabilities:								
Accounts Payable and								
Accrued Items	\$ 906	\$ 275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,181
Unearned Revenues	-	-	-	-	29,645	-	-	29,645
Due to Other Funds	-	-	-	-	10	-	-	10
Total Liabilities	906	275	-	-	29,655	-	-	30,836
Fund Balances:								
Nonspendable	-	-	-	-	-	100	1,000	1,100
Restricted	302,806	41,005	21,757	13,442	3,561	596	2,096	385,263
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	302,806	41,005	21,757	13,442	3,561	696	3,096	386,363
Total Liabilities and Fund Balances	\$ 303,712	\$ 41,280	\$ 21,757	\$ 13,442	\$ 33,216	\$ 696	\$ 3,096	\$ 417,199

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS					PERMANENT FUNDS		
	Miscellaneous	Cafeteria	After School	Shooting	Education	Palmer	Preston	Total
	Town Grant Fund	Fund	Child Care Fund	Stars Fund	Grants Fund	Fund	Learned Fund	
Revenues								
Intergovernmental Revenues	\$ 19,773	\$ 122,458	\$ -	\$ -	\$ 378,651	\$ -	\$ -	\$ 520,882
Charges for Services	9,973	118,706	107,048	28,061	26,879	-	-	290,667
Interest Income	-	-	-	68	-	2	6	76
Other Revenue	1,789	-	-	-	-	-	-	1,789
Total Revenues	31,535	241,164	107,048	28,129	405,530	2	6	813,414
Expenditures								
General Government	8,638	-	-	-	-	-	-	8,638
Police Protection	13,600	-	-	-	-	-	-	13,600
Seniors and Senior Center	10,609	-	-	24,093	-	-	-	34,702
Education	-	224,142	97,490	-	405,532	-	-	727,164
Total Expenditures	32,847	224,142	97,490	24,093	405,532	-	-	784,104
Excess/(Deficiency) of Revenues Over Expenditures	(1,312)	17,022	9,558	4,036	(2)	2	6	29,310
Other Financing Sources/(Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(1,312)	17,022	9,558	4,036	(2)	2	6	29,310
Fund Balances at Beginning of Year	304,118	23,983	12,199	9,406	3,563	694	3,090	357,053
Fund Balances at End of Year	\$ 302,806	\$ 41,005	\$ 21,757	\$ 13,442	\$ 3,561	\$ 696	\$ 3,096	\$ 386,363

See accountant's report.

TOWN OF LISBON, CONNECTICUT

Schedule of Debt Limitation

June 30, 2019

Total Tax Collections, Including Interest and Lien Fees - Prior Fiscal Year \$ 8,482,749

Reimbursement for Revenue Loss on:

Tax Relief for Elderly and Disabled - Prior Fiscal Year 481

Base \$ 8,483,230

	General Purposes (2.25 x base)	Schools (4.50 x base)	Sewers (3.75 x base)	Urban Renewal (3.25 x base)	Pension Deficit (3.00 x base)
Debt Limitation:					
Statutory Debt Limits by Function	<u>\$ 19,087,268</u>	<u>\$ 38,174,535</u>	<u>\$ 31,812,113</u>	<u>\$ 27,570,498</u>	<u>\$ 25,449,690</u>
Indebtedness:					
Bonds Payable**	<u>675,000</u>	<u>294,100</u>	<u>570,900</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>675,000</u>	<u>294,100</u>	<u>570,900</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Debt*	<u>\$ 18,412,268</u>	<u>\$ 37,880,435</u>	<u>\$ 31,241,213</u>	<u>\$ 27,570,498</u>	<u>\$ 25,449,690</u>

**Includes \$675,000 of Bond Anticipation Notes.

*In no event shall total debt exceed seven times annual receipts from base. The maximum amount permitted under this formula would be approximately \$59,382,610.

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Property Taxes Levied, Collected, and Outstanding
For the Year Ended June 30, 2019

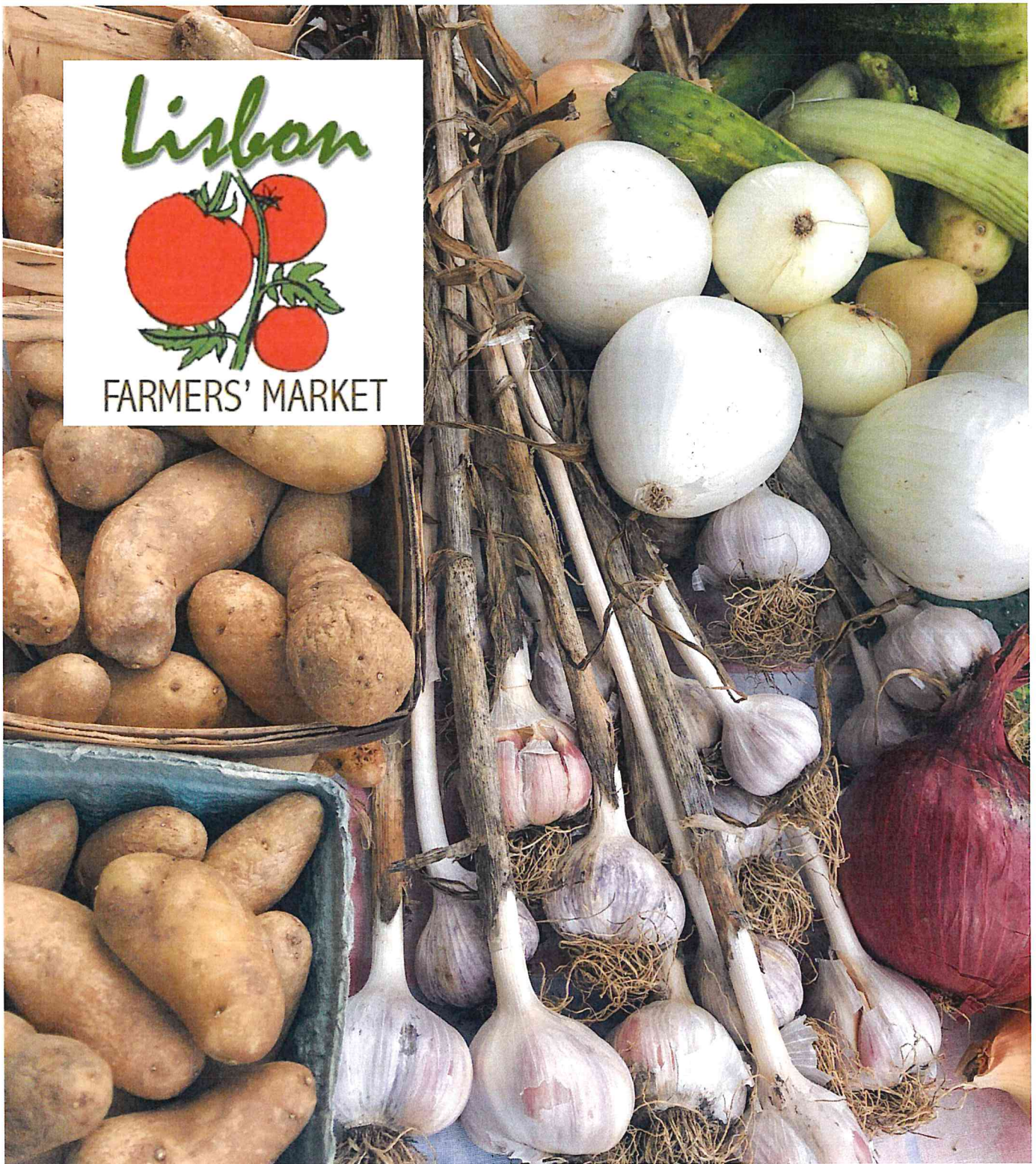
List of 10/1:	Outstanding July 1, 2018	Current Levy	Lawful Corrections		Collectible Taxes	Collections During the Year			Transfers to Suspense	Outstanding June 30, 2019	
			Additions	Deductions		Taxes	Interest	Liens			Total
2017	\$ 87,655	\$ 8,483,742	\$ 18,483	\$ 28,653	\$ 8,473,572	\$ 8,356,161	\$ 26,275	\$ 204	\$ 8,382,640	\$ -	\$ 117,411
2016	\$ 39,941	-	769	2,440	85,984	53,644	12,203	312	66,159	-	32,340
2015	17,639	-	343	271	40,013	22,814	7,669	240	30,723	8,490	8,709
2014	11,351	-	281	4,413	13,507	6,277	6,241	144	12,662	-	7,230
2013	5,177	-	-	-	11,351	5,080	3,385	72	8,537	-	6,271
2012	633	-	-	-	5,177	3,438	2,061	48	5,547	-	1,739
2011			-	-	633	-	-	-	-	-	633
	<u>\$ 162,396</u>	<u>\$ 8,483,742</u>	<u>\$ 19,876</u>	<u>\$ 35,777</u>	<u>\$ 8,630,237</u>	<u>\$ 8,447,414</u>	<u>\$ 57,834</u>	<u>1,020</u>	<u>\$ 8,506,268</u>	<u>\$ 8,490</u>	<u>\$ 174,333</u>
Net Grand List - October 1, 2017											
Total Suspense Collections						1,868	2,217	-	4,085		
Total Collections						<u>\$ 8,449,282</u>	<u>\$ 60,051</u>	<u>\$ 1,020</u>	<u>\$ 8,510,353</u>		
Tax Rate: 22.50 mills											

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Changes in Fund Balance by Project
Capital Nonrecurring Fund
For the Year Ended June 30, 2019

	Beginning Fund Balance	Current Year Appropriations	Internal Fund Transfers	Current Year Expenditures	Current Year Revenues	Ending Fund Balance
Committed Fund Balance:						
Bundy Hill Road Bridge	\$ 388,416	\$ -	\$ -	\$ -	\$ -	388,416
LCS Oil Tank Removal	319,651	-	-	(261,256)	226,499	284,894
School Window Project	122,922	-	-	-	-	122,922
1 South Burham Highway	54,500	-	-	-	-	54,500
Ford F-550 Mason Dump Truck	2,575	-	(1,575)	-	-	1,000
Ladder Fire Truck	(1,575)	-	1,575	-	-	-
Open Space Fees	70,400	-	-	-	12,000	82,400
Capital Projects	297,659	30,000	-	-	-	327,659
Plan of Conservation and Development	165,028	-	-	-	-	165,028
Salt Shed Construction	160,000	30,000	-	-	-	190,000
Public and Safety Vehicles	97,104	33,000	-	-	-	130,104
Revaluation	62,800	-	-	-	-	62,800
Strawberry Fields Sidewalks	-	-	-	(4,590)	4,590	-
Land Purchases	57,345	-	-	-	-	57,345
GIS Assessor Mapping	46,250	-	-	-	-	46,250
Lisbon Meadow Park Improvements	15,498	-	-	-	-	15,498
Voting Machine Replacement	10,000	-	-	-	-	10,000
Watershed Review/Appraisal	-	85,000	-	(85,000)	-	-
Total Committed Fund Balance	1,868,573	178,000	-	(350,846)	243,089	1,938,816
Assigned Fund Balance:						
Undesignated	136,879	-	-	-	45,755	182,634
Total Fund Balance	\$ 2,005,452	\$ 178,000	\$ -	\$ (350,846)	\$ 288,844	\$ 2,121,450

See accountant's report.



The Lisbon Farmers' Market is held seasonally on Thursday afternoons, end of June through end of September, at Lisbon Meadows Park.