

Town of Lisbon Annual Report



Fiscal Year 2019/2020

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Wayne Donaldson
Chairman
Lisbon Board of Finance

Lisbon Board of Finance Annual Report 2019-20

The 2019-20 fiscal year presented numerous challenges for the Lisbon Board of Finance. A Host Community Agreement with the Wheelabrator Trash to Energy Plant was negotiated. The results of the new agreement resulted in significantly reduced revenue to the town in both the yearly payment and the amount of tipping fees received. There was also a reduced cap on the amount of material residents can bring to the plant. Lisbon will not see the full impact of these reductions until the 2021-22 budget year. A warmer than normal winter along with significant cost control by the Selectman and Board of Education helped keep the budget in line creating a small year end surplus.

The second half of the fiscal year saw some unexpected challenges. With the onset of the COVID-19 Pandemic in person meetings could no longer occur. This created challenges on how to insure that all residents could participate in the budget process. Along with changes on how the Board of Finance deliberated and acted on the 2020-21 budget. The Board of Finance posted notices on the town website seeking citizen input and all questions and related answers were posted. All website or email questions were read and became part of the meeting minutes.

The Lisbon Board of Finance has openings for alternate members and would welcome any residents that would like to volunteer to participate in town government.

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	\$ 378,847,315
Tax rate for fiscal year 2018-2019	23.23 mils
Assessment ratio	70% property
Assessment date	October 1 st
Fiscal Year	July 1 st to June 30 th
Registered voters	2877
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	
Admin Asst.	Elaine Joseph	376-3400
Town Clerk's Office	Laurie Tirocchi, Town Clerk / Registrar of Vital Statistics Marjorie Wakely, Assistant Clerk / Assistant Registrar	376-2708
Tax Collector	Gail L. Izbicki, Tax Collector	376-4188
Assessor's Office	Gail Gwiazdowski (hired 4/2020) Angel Johnstone (resigned 3/2020) Theresa Bodinger	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

Dept of Health	Uncas Health District	823-1189
Tree Warden	Terry Joseph	908-4669
Senior Center & Municipal agent for the Elderly	Karen Washington, Senior Coordinator Glenda White, Meal Site Server (resigned 8/2020) Tom Szafranski, Van Driver (resigned 10/2020) Donna Gahrman, Van Driver (10/2019-10/2020) Charles Martin (hired 10/2020)	376-2329
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 – 01/04/2021-1/6/2025
Barbara-Jane Dardeen	Republican	1/4/2021-1/6/2025
Dianne M. Dempsey	Democrat	01/02/17 – 01/04/2021-1/6/2025
Daniel J. Finn	Republican	01/02/17 – 01/04/2021-1/6/2025
Edward P. Hogan	Unaffiliated	01/02/17 – 01/04/2021-1/6/2025
Frederick Kral III	Unaffiliated	01/03/17 – 01/04/2021-1/6/2025
Miles A Lafemina	Republican	01/02/17 – 01/04/2021-1/6/2025
Joseph Lewerk	Democrat	1/4/2021-1/6/2025
Ruth E. MacDonald	Republican	01/02/17 – 01/04/2021-1/6/2025
Doreen M. Mainville	Unaffiliated	01/02/17 – 01/04/2021-1/6/2025
Susan G. Rainville	Democrat	2/23/2017-01/04/2021-1/6/2025
Gary M Ritacco	Republican	01/02/17 – 01/04/2021-1/6/2025
Karen M. Washington	Democrat	01/02/17 – 01/04/2021-1/6/2025

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	01/04/17-1/6/2021
Dianne Dempsey		1/6/2021
Board of Finance (6 year term, staggered)		
(R) Michael Zelasky	Chairman (until 11/2019)	11/17/15 – 11/16/21
(D) Wayne Donaldson	Chairman (11/2019-pres)	11/21/2017-11/21/23
(D) Thomas J. Wakely, Jr.		11/19/19 – 11/18/25
(D) Dennis Duplice		11/19/13 – 11/19/19
(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
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 (11/2019-Pres)	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) Cheryl Blanchard		11/10/20 - 11/16/21
(D) John Dempsey		11/21/17-11/10/20
(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) Vacancy	Alternate	- 11/16/21
(R) Cheryl Blanchard		11/25/19 – 11/10/20
(R) Timothy Minor		12/18/17 - 11/19/19
(D) Vacancy	Alternate	- 11/16/21
(D) Jason Lebel		6/10/19 – 11/19/19
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
(R) James Contino	Alternate	2/10/2020-11/21/17
Election Vacancy		11/21/2017 - 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	2/28/19-2/28/21
Patricia Walburn		2/28/19-2/28/21
Joseph Doran		02/28/18 – 2/28/20-2/28/22
Donna Gahram		02/28/18 – 2/28/20-2/28/22
Mary S. Grant		2/28/19-2/28/21
Fidelis Kershaw		02/28/18 – 2/28/20-2/28/22
Carol Sadowski		02/28/18 – 2/28/20-2/28/22
Karen Todriff		9/28/20– 2/28/21
Blanche Todriff		2/28/19 –8/20
Karen Washington		Senior Coordinator
Conservation Commission (2 year term, staggered)		
Richard Hamel	Chairman	11/30/18- 11/30/20-11/30/22
Joseph Lewerk		11/30/19-12/24/21
Mark Robinson		11/30/18- 11/30/20-11/30/22
William McIntosh		10/26/20-10/25/22
Olivia Benson		5/13/19 - 11/30/19-10/23/2020
Leonora J. Szruba		11/30/18- 11/30/20-11/30/22
Mark Sullivan	Alternate	11/26/17-11/26/19-12/24/21
Vacancy	Alternate	- 5/13/21
Billy McIntosh Sr		5/13/19-10/26/20
Billy McIntosh Jr		5/8/17-5/8/19
Joe Theroux	Conserv Enforcement Officer	
Recreation Committee (2 year term, staggered)		
Vacancy		- 7/8/2022
Vacancy		7/8/20-7/8/22
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		4/30/19-4/30/21
Lauren Sylvestre		4/30/19-4/30/21
Andrew Lagace		4/8/19-7/8/2020-7/8/22
Thomas J. Restivo	Chairman	4/30/2019-4/30/21
Vacancy		- 4/30/19
James Synott		4/30/17-9/1/18
Chris Fabry		4/30/19-4/30/21

Water Pollution Control Authority (WPCA)		(4 year term)
Cheryl Blanchard		10/18/19-12/31/22
Vacancy		-12/31/24
Joseph Lewerk		12/31/15 – 12/31/19-12/31/23
Kenneth Robb	Chairman	1/1/19-12/31/22
David Wawryniewicz		12/31/15 – 12/31/19-12/31/23
Farmers Market		(year term, staggered)
Trevor Danburg	Chairman	6/8/20-11/19/21
Sharon Gabiga	Chairman	11/17/15-11/19/19-6/8/20
John Algier		11/20/15-11/19/21
Erin Doran		6/8/20-11/19/21
Terry Joseph		11/17/15-11/19/19-6/8/20
Jenny Danburg		6/8/20-11/19/21
Elaine Joseph		11/19/17-6/5/20
Adeline Jernstrom		9/25/2017-11/19/21
Rich Ruppel	Alternate	7/13/20-11/19/23
Meridith Savluk		8/13/18– 11/19/19
Trail Committee		Established 1/24/2017
Joseph Lewerk	Chairman	
Randall Baah		
Chad Johnson		
Joseph Imschweiller		
Marcia Shafer		
Terry Joseph		
Kevin Shafer		
Doug Hueg		
Steve Brown		

2020 Elected State Officials

U.S. Senator	
Richard Blumenthal (D)	860-258-6940
Chris Murphy (D)	860-549-8463
U.S. Congressman (2nd 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 (19th 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

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

Re: Annual report

Dear Mr. Donaldson:

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 closed 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 and electronic waste collection.

While it is certain that the financial commitment required to complete road projects, maintain our buildings, grounds and infrastructure is significant, there is no question that the commitment and support of the residents, as well as the Board of Finance allowed these and other projects to go forward. The Town was awarded a STEAP grant allowing for the replacement of 4800 linear feet of sidewalk in Strawberry Fields. With a State DOT grant and some local funding it is anticipated that the Blissville Pond Bridge on Bundy Hill Road will be replaced in the summer of 2021. We were also able to replace the bridge over Blissville Brook on School House Road. 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

Gail Gwiazdowski, Assessor (hired April 2020)
 Theresa Williams-Bodinger, Assessment Staff
 Angel Johnstone, Assessor (resigned March 2020)

The Assessor is responsible for discovering, listing and valuing all taxable and non-taxable property located in town. Connecticut law requires us to list and value all real estate, motor vehicles and personal property. This is an annual cycle with an assessment date of October 1. It is the Assessor's responsibility to ensure all values are properly and uniformly made and that the grand list is a true and accurate report of all taxable and tax-exempt property in the municipality. Assessed values in the State of Connecticut are based on 70% of fair market value. All Connecticut Towns are required to perform a state mandated revaluation every 5 years. The Town of Lisbon last conducted a 2016 Revaluation.

The net taxable 2018 Grand List as reported on the M13 is as follows:

REAL ESTATE	325,355,000
PERSONAL PROPERTY	19,744,350
MOTOR VEHICLE	33,747,965
TOTAL TAXABLE GRAND LIST	378,847,315
0.02% Increase over 2017	

In addition, the Assessor's Office is responsible for:

- Maintenance of 2017 real estate accounts, 4778 motor vehicle accounts and 443 personal property accounts.
- Administering and maintaining tax relief programs for the elderly, disabled, blind, farmers and veterans.
- Adherence of Local Ordinances relevant to assessment and taxation.
- Administering and maintaining the Renters Rebate program.
- Applying the PA490 statute to preserve farm and forest land.
- Inspecting all permitted construction.
- Updating ownership of real estate upon transfer of title.
- Updating maps on our GIS which contribute to more accurate land records.

2018 Grand List Combined Top Ten Taxpayers			
Taxpayer Name	Net Assessment	% of 18GL	
Lisbon Landing LLC	\$ 14,972,590.00	4.0%	
Wal Mart Real Estate Business Trust	\$ 11,655,000.00	3.1%	
Lisbon Investors LLC	\$ 11,114,530.00	2.9%	
Home Depot USA Inc	\$ 8,990,651.00	2.4%	
Target Corporation	\$ 7,974,450.00	2.1%	
Lisbon Landing Phase II LLC	\$ 7,149,140.00	1.9%	
Connecticut Light & Power Co	\$ 5,074,620.00	1.3%	
Lisbon River Road LLC	\$ 2,467,790.00	0.7%	
Tucker Development Group LLC	\$ 2,227,475.00	0.6%	
Aldi Inc	\$ 2,032,610.00	0.5%	
Total Top Ten Net Assessment	\$ 73,658,856.00	19.4%	Total Top 10% of 18GL

Date: January 4, 2021

From: Carl R. Brown BO/ZEO

To: Board of Finance

Re: 2020 Annual Town Report

To Whom It May Concern:

The Office of the Building Official for the Town of Lisbon assists the town residents in following the 2018 State of CT Building Code and Amendments with their building projects as governed by the State Law. We do in progress inspections to be able to sign the inspection reports to attest the work done is in compliance with the Code. In doing so, the office handles the paper applications and review of building plans to see that the code is followed. We process application fees as the town ordinance directs into the Town Treasurer's Office.

In the time frame of July 1, 2019 through June 30, 2020 the office issued 361 permits for work done on buildings in the Town. These permits were valued at \$7,785,573.00 with revenue to the Town of Lisbon of \$93,107.00 in building permit fees.

Zoning issued 36 permits for construction of these buildings and structures, fees of \$5600.

We had 12 New House permitted at a value of \$3,027,842.00, permit fees of \$36,325, average house value of \$252,320.00

There were 44 Solar Projects in town, with value of \$709,272.00, permit fees of \$8,508.00, average project cost of \$16,119.82

The Office of the Building Official is open part time, and by appointment to serve the residents with their projects.

Respectfully,

Carl R. Brown

Carl R. Brown
Building Official
Town of Lisbon



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 nine regular meetings, two special meetings, and field walks at five separate locations. It received and accepted for review eight applications and granted eight permits (15 Kenyon Rd., 50 Ross Hill Rd., 22 Round Hill Court, School House Rd. Bridge, 264 Papermill Rd., 4 River Rd., 143 Ross Hill Rd., 363 North Burnham Highway) and one agent approval (210 Bundy Hill Rd. #55). In addition, two wetland violations were investigated, 118 Strawberry St. and 26 Regina Rd. Also, reviewed were notifications of activity at 60 Kinsman Hill Rd. (timber harvest) and the placement of footbridges at six locations on the Burnham Tavern Trails (223 North Burnham Highway). The Commission was also briefed by the town planner on the implementation of the State Stormwater Mandate (MS4).

The Commission maintained its membership in the Connecticut Association of Conservation and Inland Wetland Commissions. Due to the pandemic the annual 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 was not completed.

Respectfully submitted,
Joseph P. Lewerk, Commission Vice Chairman

JOHN CINGRANELLI
CHIEF
860-501-8417



MICHAEL CIVARDI
PRESIDENT
860-376-2558

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

February 4, 2021

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

Re: Annual report 2020-2021

Dear Board Members:

During the fiscal year 2020-2021, the Lisbon Fire Department and Ambulance responded to a total of 677 calls for assistance.

Call Volume Break Down

Fire 8	Hazardous Condition 7	Service Call 38
Rescue & EMS 492	Good Intent 2	Automatic Alarm 44
Motor Vehicle Accident 65	Vehicle Fire 3	Brush Fire 9
Tree/Wires Down 9		

The department and its members continue to strive to meet and 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 Agency (NFPA), the State of Connecticut Department of Medical Services (OEMS), and Medical Control of Backus Hospital.

It has been through the dedication and efforts of the members and officers of the Lisbon Fire Department that we have been able to navigate the unusual and challenging waters of Covid-19. The department has undergone challenges associated with both staffing and PPE as it relates to the pandemic. The department worked towards procuring supplies and in addition worked to develop a daytime and on call staffing program to help remedy these concerns. With the implementation of daytime staffing and on call EMS the department has been able to significantly reduce response times and better serve the residence of Lisbon.

Respectfully Submitted

John Cingranelli Jr.
Chief

Lisbon Fire Marshall

No Report Submitted



Fiscal Year 2019 / 2020 Annual Report Narrative

During Fiscal Year 2019/2020 (2019 Market Season), the Lisbon Farmers' Market had a total of 30 full time, part time and guest vendors. By March of 2020, the Market had 14 applications for the 2020 season, which was scheduled to begin in late June. Due to the COVID19 Pandemic, however, and the restrictions put on Farmers' Markets in Connecticut by Executive Order, as well as the closing of all Town buildings and offices to the public by the Board of Selectmen, the Committee made the decision to suspend the 2020 Market Season. Of the 14 vendors who applied for the 2020 Season, four asked for a refund of their market fees (totaling \$260.00; two were paid out in the following fiscal year); nine asked to roll over their fees to the 2021 season (totaling \$660.00); one had not yet sent in their fee.

Lisbon Farmers' Market Committee members of FY 2019/2020 were as follows:

Sharon Gabiga (Chairman), Adeline Jernstrom, John Algieri, Terry Joseph, Elaine Joseph (Secretary)

In June of 2020, Sharon Gabiga, Terry Joseph and Elaine Joseph resigned, and the following members were appointed to fill the vacancies:

Trevor Danburg (Chairman), Jenny Danburg (Secretary), Erin Doran

During the 2019/2020 Fiscal Year, the Committee voted to do away with their independent website and domain name and instead utilize the Farmers' Market Committee page on the Town's website as the go-to place for Market information (link below).

The Lisbon Farmers' Market operates on a Special Revenues Account. The beginning balance in July 2019 was \$2,210.68. Ending balance in June 2020 was \$1,278.46. During FY 2019/2020, a total of \$1,140.00 was received as vendor fees and donations. \$1,665.00 was paid to the Market Manager; \$44.00 was spent in advertising; \$70.22 on miscellaneous supplies and expenses; and \$150.00 on Market entertainment.

Respectfully Submitted,

Elaine Joseph, Secretary FY 2019/2020



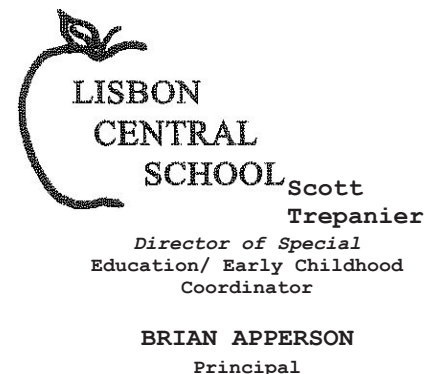
For more information about the Market, visit us at:

www.lisbonct.com/farmers-market-committee or facebook/lisbonfarmersmarket

SALLY KEATING
Superintendent

DIANA CORMIER
Business Manager

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



2019 Annual Report

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

The Lisbon School District's students and staff had a challenging yet productive 2019-2020 school year, both at the elementary and middle school levels at Lisbon Central School (LCS) as well as at the various high schools. This past school year brought unprecedented complexity due to the onset of a global pandemic in the spring of 2020. This forced a statewide closure of schools, which impacted school operations on every level. Through a team effort on local, regional and State levels, the school year ended with students being safe, healthy and educated as best as possible, utilizing work packets for students on a regular schedule.

Regarding academics and instruction, all teachers' professional goals were related to math. Students in grades 4-8 also did personal goals in math, targeting areas needing improvement and/or acceleration. Professional development and continuous data teamwork helped staff to develop instructional strategies and to gauge student progress. Trending data obtained by middle school assessments was positive. However, State testing, specifically the SBAC tests, were not administered due to the impact of COVID-19.

Regarding Language Arts, students in grades 4-8 set personal goals incorporating measure for growth. More SBAC related interim assessments were conducted and progress was definitely noted. Through assessments as well as direct observation, the PreK-2 teachers realized the need for stronger phonics materials and implemented accordingly. Data team work for all grade levels was implemented and progress was closely monitored. However, again SBAC tests were not given due to the impact of COVID-19. Lastly, one eighth grade Language Arts Teacher consulted with high schools regarding programs and expectations, to ensure continuity of instruction for our students.

Science, STEAM, Social Studies and all other subject areas continued teaching the State standards. Students moved along the continuum of mastery according to their abilities. Again, data teamwork was integral to their progress.

A Gifted and Talented Committee was revamped, incorporating former representatives as well as new members. Academic rubrics were recreated and rubrics for the arts were started. Through the PPT process, six more students were identified as gifted and talented, and joined the four current students for services and collaborative sessions. The first Invention Convention was held at LCS in the Spring. As a result, a Lisbon student went to the State level competition for Invention Convention and won the Presidential Award.

A part-time Assistant Principal position was created and this was filled by a staff member who also became the part-time SRBI Math Coordinator/Gifted and Talented Coordinator. This employee spearheaded the aforementioned Gifted and Talented initiative and did a tremendous job. She also was integral to the school's math instruction and students' daily performance. As the Assistant Principal, she supported all school operations, particularly student discipline and instruction.

There were financial challenges during the 2019-2020 school year. These challenges were due, in part, to unanticipated special education costs. However, the year did end in good fiscal standing. Additionally, \$12,554.37 was returned to the Town at the end of the fiscal year. During the course of the year, the 2020-2021 budget was developed, resulting in a fiscally and educationally solid budget with a 2.95% increase over the existing budget.

As of October 1, 2019, LCS had enrollment of 419 students and there were 217 students in grades 9-12. Enrollment increased in comparison to the October 1, 2018 counts of 401 students at LCS, 208 students in grades 9-12.

Norwich Free Academy and Griswold High School are our designated high schools. Students also attended Tech Schools, Magnet Schools and Ledyard Vo-Ag. Our students typically do very well, receiving many top honors, awards and accolades.

Safety and security remained top priorities. Fire drills, evacuation drills, shelter-in place and lockdown drills were conducted throughout the year, in compliance with our All Hazards School Security and Safety Plan. State Troopers attended and monitored a few of the drills; feedback was positive.

The Board of Education Policy Committee and the Superintendent continued to update, review and create 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 2019-2020 school year, there was strong parent involvement in parent-teacher conferences, school activities and special events. 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 events such as 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

Board Of Education

Melissa Krauss, Chairperson
Judy Jencks, Vice Chair
Melissa Avery, Secretary

Lauren Baah
Jenny Danburg
Joseph Lewerk

Joan Marshall
Scott McCabe
David Nowakowski

Administration

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

Staff

Shelley Apperson	1 st Grade	Deb Ladouceur	Educational Assistant
Rita Baldwin	6 th & 7 th Grades-LA	Kimberly Lang	7 th & 8 th Grade LA
Christopher Boots	3 rd Grade	Julie Lepore	Reading/SRBI Coordinator
Patricia Brennan	School Psychologist	Tammy Lerro	Special Education
Stephen Brown	5 th & 8 th Grade Science	Tricia Maynard	Kindergarten
Monica Bromkamp	EL Tutor	Colleen McNally-Reamer	Administrative Assistant to the Superintendent & Business Manager
Claudia Conway	Preschool	Rita Miller	Grades 1-8 Music/Band
Joan Curtiss	PreK & 1 st Grade Music & Chorus	Martin Mlyniec	6 th & 7 th Grade Science
Michael Davidson	Computer/Technology		
Nicole Desrosier	Educational Assistant	Michelle Mlyniec	Speech & Language Pathologist
Jessica DiRomoa	Kindergarten	Richard Moreau	Special Education
Kathleen Edmond	Special Education Secretary	Mary Nolan	7 th & 8 th Grade Math
Alyssa Fabry	6 th , 7 th , & 8 th Grade Health	Rebecca Overholt	Preschool
Paulette Galyas	Educational Assistant	Joslin Phaneuf	Social Studies
Kristina Georgian	Art	Kelly Piper	Special Education
Kate Gilgenbach	5 th Grade	Eric Quinn	Special Education
Robin Gore	Certified Occupational Therapist Assistant	Erin Quinn	Media Specialist
Joseph Gracia	Video / Technology / STEM	Lynn Rochette	Special Education
Stacey Guertin	2 nd Grade	Amy Rogulski	Educational Assistant
Michele Hamel	1 st Grade	Ashley Roy	Kindergarten
Theresa Hart	Special Education	Jennifer Rugarber	Speech & Language Pathologist
Christine Healy	4 th Grade	Heidi Sheldon	7 th & 8 th Grade Spanish/ 8 th Grade Social Studies
	3 rd Grade	Katherine Snyder	School Counselor
Natalie Hungerford			
Rachel Ibbison	Special Education	Ellen Sobanski	Nurse's Aide
Megan Jenkins	Math Support/Gifted & Talented	Lisa Surfus	Attendance Secretary
Ellen Joly	Physical Education	Theresa Svab	School Nurse
Sarah Komosky	Special Education	Jane Sweet	4 th Grade
Sarah Lacombe	2 nd Grade	Jamie Webster	Principal's Secretary
Jamie Lagace	Educational Assistant	Todd Wheeler	5 th -6 th Grade Math

Interns

Alleah Bryany-Brockenberry Corey Carlson Kelly Coddling Madilyn McNew Brian Valdini

Custodial Staff

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

Cafeteria Staff

Michael Rossi – Food Service Director BillieSue Burelle Brenda Pappagallo Micheline Plourde Kelly Wezner

School Readiness Staff

Courtney Kinmonth Jeanette Coleman Deb Ladouceur

School Age Childcare Staff

Madison Ahearn – Program Manager Joseph Gracia Dawn Maclean Brian Valdini

**Lisbon Central School
Grade 8 Graduates
June 12, 2020**

Cambell R. Apperson
Hailey N. Bassett
Benjamin T. Berek
Lawrence R. Bertrand
Derek R. Cobb
Makenzie M. Crouch
Jacob S. Dahlen
Sydnee S. Dingwell
Christopher J. Duvall
Jordan L. Fabry
Olivia R. Fox
Adara G. Franklin
Abigail I. Frechette
Mason C. Gardner
Sean C. Garvin
Weston G. Gil
Madisyn S. Hagberg-Porter
Emily Hong
Sadie E. Hungerford
Sharon A. Jankowski
Adele K. Johnson
Alisha H. Ladyga

Blair B. LaPierre
Owen L. MacLean
Tyler B. McDermott
Vincent A. Morabito
Joshua Mosquera
Matthew C. Nelson
Tyler D. Paradis
Anthony J. Partridge
Abigail M. Politowicz
Madison A. Politowicz
Katrina M. Raptis
Destin L. Raymond
Sage A. Rebstock
Nicholas W. Reed
Avery M. Rogulski
Peter J. Stabach
Makayla T. Sykes
Amelia M. Tart
Ryan A. Tate
Christopher M. Tonucci
Kenzi B. Valentin
Jack T. Zagarenski

2019-2020 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.

As of March 18, 2020 the Senior Center closed due to the Coronavirus pandemic. While our totals of people that visited, van rides and lunches are at a lower rate than would normally be expected, our Meals on Wheels count increased. During the 2019-2020 fiscal year the center had over 3,500 visits; served close to 2,500 meals on wheels; over 1,700 lunches from its in-house sandwich program; and the van provided over 450 rides.

Updates to the center include new carpeting/flooring and repainting in the lounge. New shelving for storage was added to our kitchen supply area. There is an updated bingo machine that was donated to us with a large display board making it easier for everyone to see the game being played and the numbers that are called.

In September we were approved through the State of Connecticut, Department of Transportation Section 5310 grant for 80% of the cost of a new 8 passenger with 1 wheelchair lift minibus. This will be used for medical transportation as well as shopping, errands and the delivery of our Meals on Wheels. We expect delivery in late 2020.

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 Theatre by the Sea, Newport Playhouse and Theatre by the Sea, 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, Karen Arremony, Mary Grant, Fidelis Kershaw, Carol Sadowski, Donna Gahrman, Patricia Walburn and Karen Washington.

Lisbon Historical Society
Annual Report
Fiscal Year 2019-2020

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 significance 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. Commencing March 2020, the Lisbon Historical Society conducted business under Governor Lamont's Executive Order 71 and others orders as they relate to public meetings. No events were held after that time.

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. Due to Covid-19 Lisbon Central School did not submit a candidate for the Lisbon Historical Society *Excellence in History* award.

Restoration and Renovation

Burnham Tavern – Using funds from a grant from the 1776 Foundation the foundation at the rear of the building was completely rebuilt. Old rock was removed and the footing dug to a depth of 48" by several volunteers removing dirt bucket by bucket, totaling about 9 tons. Crushed stone was placed at the bottom, and compacted, and concrete footings and molly columns placed under certain load bearing beams. The rock foundation was then built up to the new sill and the rock pointed with concrete. The sill was then replaced with new rough sawn wood. Other rotted wood was then replaced along the girt between the first and second floor and at the corners. During restoration, an older foundation was found confirming an earlier building on that site and likely the location of the original Burnham Tavern.

This construction process came in under budget leaving enough funds from the initial grant and funds from the society to continue the process on the foundation along the driveway. This now completes the replacement of the entire sill, and secures the foundation on all sides of the building.

After emergency patching, the roof is once again stable. A plan to re-roof the Tavern with traditional wood shingles was developed but not scheduled before the end of FY 2019-20. Inspection of the girt between the attic and second floor reveal no problems requiring repair or restoration. Interior restoration on the ell in the back of

the house was completed during the winter months. The driveway side of the Burnham Tavern had a new stone foundation constructed, and sill repaired.

Soft ground and mud from the spring thaw and rain are an annual holdup in accessing the farm fields to fertilize and plant corn. Society member Ken Mahler rebuilt the farm roads with material donated by Eversource. The project consumed about 627 tons of material and is scheduled to be completed by mid-November 2020. Excess material was redirected to the Burnham Tavern Trails parking lot on Kimball Road and to several local farms. Society member Kevin Shafer mows the fields not in production keeping ensuring readiness for future tilling.

John Bishop House Museum – The front and north side of the John Bishop House was painted as scheduled, the next project is to rebuild the original exterior door. Spring priorities are a thorough inspection of the working fireplaces and follow through with any maintenance required.

The carriage shed is scheduled to be resealed and the window trim painted. The original front doors rebuild and appropriate hardware installation are still on the to-do list as soon as our carpenter is available. 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 the north garden is a traditional three sister's garden. Routine maintenance is ongoing.

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 \$9,410.83, a record amount for the redemption program. The Historical Society sorts, bags and transports over 188,000 containers of plastic, glass and aluminum cans annually to several beverage distributors, retailers and the ARC redemption center in Woodstock, CT. The Historical Society received \$4,857.14 through the Connecticut Neighborhood Assistance Act from Jewett City Savings restricted to the Burnham Tavern, \$1,500 restricted donation for the final work on our application for the designation of the Burnham Tavern to the National Register, and \$500.00 from the Pfizer Foundation, and the budgeted annual stipend. Additional revenue was raised from the annual Holiday Open House, bake sales, member in-kind services, individual donations, and 1,605 LHS volunteer hours. The below average volunteer hours is due to the Covid 19 pandemic. Additionally, the town of Lisbon Board of Selectmen approved an application by the Historical Society for the Connecticut Neighborhood Assistance Act Program for FY 2020-2021.

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 scheduled monthly meetings to take place the second Friday of the month in the Lisbon town hall. Due to the Covid 19 pandemic, the regular monthly meetings of the Society ended with the March 2020 meeting. Business was continued by email and phone.

Respectfully submitted,

Kim Sperry

Lisbon Planning and Zoning Commission
Annual Report
July 1, 2019 – June 30, 2020

During the course of the fiscal year annual report period, the Planning and Zoning Commission scheduled twelve (12) regular meetings, held ten (10), and cancelled two (2) due to the Covid 19 Pandemic. As of June 2, 2020, meetings resumed via Teleconference. The Commission held ten (10) public hearings and one (1) workshop. The workshop agenda addressed the Route 12 Corridor Study and Zoning Amendments per the town of Lisbon's Plan of Conservation and Development 2016 presented by Town Planner, Michael J. Murphy, AICP, Consulting Planner-SCCOG and attended by members of the Planning and Zoning Commission. The Commission received and acted on eight (8) zoning permit applications, four (4) special permit applications and two (2) text amendment applications. The text amendments allow for Automotive Dealer Services in a BV 1 zone by special permit, and the use of Farm Breweries by special permit in the residential zones.

The Commission passed a Resolution to approve an Updated Compilation of Zoning Amendments Through 2019.

The Chairman appointed a subcommittee to review and amend, if necessary, the Planning and Zoning By-Laws. Draft By-Laws were submitted to the Planner, Commissioners, and legal counsel comments. The document was not acted on before the end of the fiscal year.

The Commission received and responded to six (6) referrals from neighboring municipalities, one (1) from the Connecticut Siting Council, one (1) from Norwich Public Utilities, (2) from the town of Lisbon Zoning Board of Appeals regarding side yard requirements and three (3) from the Board of Selectmen regarding the construction of a micro grid, a possible land purchase, and a dog park.

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

Commencing March, 2020, the Planning and Zoning Commission conducted business under Governor Lamont's Executive Order 71 and others orders as they relate to covered land use law and public meetings, developing protocols and procedures for virtual meetings. Also, with the advent of the COVID-19 shutdown beginning in March 2020, the Planner and the Commission developed a COVID-19 application package for restaurants and outdoor retailers, and updated all of the Planning and Zoning Commission's land use applications to assist the public and the community in general.

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 (RPC) representative is Commissioner and Vice Chair Ronald Giroux, who also serves as Chair of the RPC. 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

Lisbon Recreation Committee 2019/2020 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 responsible for 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.

The Recreation Committee ensured all athletic fields were maintained in quality conditions 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 performed a modified 18th season under the administration of program director Nancy Smigiel. Eighteen teams averaging 8 players each competed in weekly matches at the Lisbon Central School. The season began in September 2019, but unfortunately had to prematurely end the season in March 2020 due to the COVID pandemic. This program was entirely financially self-sufficient with all program expenses covered by fees paid by the participants. The Recreation Committee partnered with the LCS physical education department, sharing the equipment so youngsters interested in playing volleyball had the opportunity.

The youth basketball program was run by Chris Fabry and continued to grow in participants. There were five leagues: preschool/Kindergarten clinic, 1st/2nd grade, 3rd/4th grade, 5th/6th grade, and 7th/8th 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 with 107 participants.

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

REGISTRAR OF VOTERS

The Fall Registrar of Voters Association of Connecticut Conference included lots of new information and election laws regarding Election Night reporting, same day registration and changes to our reporting forms. This continuing education is a part of what we do as Registrars to keep up-to-date of the changes in state and national laws that affect our jobs. We are mandated to attend two State conferences per year. At the virtual Spring Conference the new election laws were introduced relating to Covid-19 pandemic with the November Presidential election in November were discussed. We are responsible for the tabulators used for voting and keeping them properly maintained each year and discovered ways to stay safe and secure in the new times. .

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 registrar for the right to vote in any election or referendum held in the municipality in which they live.

Remember that if you change your address, get married you will need to notify us by filling out a new voter card. Keep in mind that we need your current address in order to send you notice regarding Polling Places, Election Deadlines and the Annual Canvass which we must maintain. We keep a record of all registered voters, maintaining the accuracy of the registry list and voter files both hard copy and electronically.

As Election Administrators it is our responsibility to provide fair and impartial elections to all who are registered to vote within the town. Our two polling locations are:

Lisbon Town Hall, 1 Newent Road- District 1

Lisbon Senior Center, 11 Newent Road- District 2

Total voters for each: District 1 has 1101 voters and District 2 has 1843.

We must choose locations that are easily accessible to all, including persons with disabilities. We must hire and have mandated training class prior to each election or referendum for all poll workers at each location.

Depending on the election year we may hold as many as 5 elections; which include referendum, primaries and election. We are also subject to the Secretary of the State audits.

Any person wishing to apply to work at the polls may do so by contacting Mary Grant or Steve Barrett at 860-376-1743.

Respectfully,

Mary Grant
Stephen Barrett

Treasurer's 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 generated \$121,000 for the town in fiscal year 2019-2020. This reflects a decrease of \$30,000 compared to fiscal year 2018-2019. A decrease in interest rates, attributed to the onset of the COVID-19 pandemic in 1Q 2020, negatively impacted investment income.

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
2019-2020	\$ 72,849	\$ 8,667	\$ 37,382	\$ 2,584

* 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

**Tree Warden
Annual Report 2019 – 2020**

Although Gypsy Moth infestations of 2019/2020 were nowhere near as severe as it had been in 2017/2018 and 2018/2019, the region has continued, and will continue, to suffer the consequences of the past few years' infestations. From July 2019 to June 2020, a number of calls came in regarding trees that were either dead, dying, or otherwise considered a hazard to public safety. Those trees that were on Town property were either cut back or removed. The State continued to aggressively cut back and cut down dangerous trees on State roads.

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

OFFICE OF THE TOWN CLERK

Laurie Tirocchi
Town Clerk



Marjorie Wakely
Assistant Town Clerk

Annual Report

July 1, 2019 – June 30, 2020 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 2019-2020 fiscal year, the town clerk's office has processed:

- 827 land records generating over \$21,462 in recording fees.
- \$49,000 in town conveyance taxes for transfers of property.
- \$1,072 in Historic Preservation Grant Funds.
- 313 dog licenses.
- 68 sports fishing & hunting licenses.
- 23 Land Use applications.
- 6 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 that have generated over \$2680 in associated fees for the town. This year we have recorded:

Births – 43

Marriages – 23

Deaths - 44

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 only one election this year. As a result of the CoronaVirus Pandemic, no Annual Town Meeting was held and the Budget was approved by the Board of Finance & the Board of Selectman pursuant to the Governor's Executive Order.

Municipal Election – 11/05/2019

The Town Clerk also serves as clerk at all Town Meetings. This year there was 1 Town Meeting. 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

**TOWN OF LISBON
SPECIAL TOWN MEETING
JANUARY 27, 2020**

A Special Town Meeting was held on Monday, January 27, 2020 at 7:00 p.m. in the Lisbon Town Hall Conference Room 1 Newent Road, Lisbon, Connecticut. The meeting was called to order at 7:00 p.m. by Thomas W. Sparkman, First Selectman.

Nomination of Moderator:

Mark Robinson was nominated by Robert Grant, seconded by William Krauss.

VOTE: UNANIMOUS

MOTION CARRIED

Mark Robinson was duly chosen as Moderator.

Warning was read by Laurie Tirocchi, Town Clerk.

Moderator read item #1:

“To authorize the Town of Lisbon, as recommended by the Planning & Zoning Commission and reviewed by CLA Engineers, Inc., to accept and record the Warranty Deed and Certificate of Title from Burnham Hill Associates, LLC to the Town of Lisbon conveying to the Town of Lisbon, Connecticut Harvest Road and its associated drainage easements and rights to drain.”

No discussion occurred.

Motion was made by Robert Grant, seconded by William Krauss, to accept motion as read.

VOTE: UNANIMOUS

MOTION CARRIED

A motion was made by Robert Grant, seconded by William Krauss, to adjourn the meeting.

Meeting adjourned at 7:10p.m.

Laurie Tirocchi
Town Clerk

Wayne Donaldson

Board of Finance

1 Newent Rd.

December 12, 2020

Lisbon, CT 06351-2806

Dear Mr. Donaldson,

For the fiscal year 2019-2020 I have been busy documenting the original 16 settlers who laid out the groundwork for the now Lisbon, Connecticut. Some of them were fathers and sons or related to each other. I have completed Thomas Bishop descendants of Samuel and John who lived in Lisbon and most of their descendants down and through Reuben Bishop.

The Benjamin Burnham family is documented and shows how the Bishop and Burnham families were blended after the death of Samuel Bishop in the 1600's and his wife Hester Cogswell married Thomas Burnham. In the 1700's Reuben Bishop died and the death of Jemima Burnham who was the first wife of Benjamin Burnham. Benjamin Burnham Jr married Hannah Bishop and blended their families-her 5 sons and his 6 children and two of their own children.

I am now working on the Read/Reed families and have Lisbon maps to document the general area of their homes and of note the Read Shingle & Sawmill which was on Ross Hill Road near the Read Haskell Cemetery, at the beginning of Ross Hill Rd.

When I can, I try to document family members that left Connecticut and have found that many children of the original settlers left to go north to Vermont and New Hampshire or west to New York, Pennsylvania, and beyond. Occasionally a few returned or their descendants returned to Lisbon or nearby towns.

I have answered assisted with requests from Town Hall or inquiries regarding the past citizens of Lisbon or where they lived. I had two inquiries regarding the Barber property. I also had a request from a descendant of the Read family looking for history and genealogy who was from this area but had relocated in the West.

I have been limited in my research due to following Covid-19 safety precautions and not being able to follow up with in person research. I plan to spend time doing further research at Lisbon Town Hall and Norwich Town Hall (for info prior to 1786) when in person research is allowed.

I also try to maintain a library of materials donated to the Lisbon Historical Society for research and keep a collection of Town Reports to use for research as well.

Sincerely, Marcia Shafer, Town of Lisbon Historian



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. Nine 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.

To mark the beginning of the summer of 2019, the Trail Committee completed efforts to construct a parking area for the Burnham Tavern Trails. Located at 62 Kimball Rd., the parking area was constructed using donated fill materials generated by the gas line project running under Connecticut Route 138 through town. Volunteer contributions of equipment and time by Ken Mahler of the Historical Society and Terry Joseph of the Trail Committee were instrumental in the project's completion.

Permission was also secured from the Conservation Commission for the installation of 6 bridges at stream crossings along the Tavern Trails. The materials used for the bridges consisted of discarded utility pole sections from a system-wide replacement program that occurred in town. The materials were donated by Ken Mahler from work on his property with movement and placement of the large wooden pieces provided by Terry Joseph. The bridges provided for easier access to the trails and minimized activity in sensitive wetlands and watercourses.

Trail Committee members, working with the town Tree Warden, identified trees along the Tavern Trails requiring removal and began the process of taking those trees down. These volunteer efforts to develop and maintain the Burnham Tavern Trails were reported to The Last Green Valley as adding up to 63 hours for that organization's Fiscal Year 2019 reporting period. Additional work consisted of spreading wood chips along uneven sections of the trails. Wood chips were donated by contractors conducting tree clearing operations along the town's roadways with the chips deposited at a specially developed drop area at the 62 Kimball Rd. parking lot. Trail Committee volunteers used wood chips and on-site stone to level the approaches to the six newly installed stream crossings.

A planned community Tavern Trail walk in conjunction with Earth Day in May 2020 was cancelled due to the pandemic. Plans for a similar walk as part of The Last Green Valley's Walktober events were being considered, dependent on local health considerations. Our continued objective and hope is that Trail Committee efforts will allow everyone to continue enjoying the dedicated open-spaces, natural beauty, and historical heritage of our town.

Respectfully submitted,

Joseph P. Lewerk, Chairman

STATE OF CONNECTICUT



DEPARTMENT OF PUBLIC SAFETY DIVISION OF STATE POLICE LISBON RESIDENT TROOPER

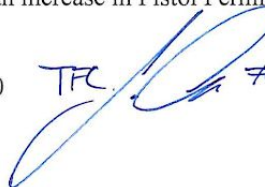
2020 Annual Report

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:	2,828
Total Accidents Investigated:	106
Total Criminal Investigations:	153
Total Citizen and Medical Assists:	359
DUI Arrests:	24

The Lisbon Resident Trooper's Office is committed to the public safety of this community. During the course of 2020 year, response to calls and volume of calls was impacted by COVID-19 Safety Protocols. The Lisbon Resident Trooper's office participated in several noteworthy events including; teaching the 6th Grade D.A.R.E classes, the 8th Grade Lisbon Graduation, assisted Jewett City Resident Trooper for toy drive benefiting more than 20 Lisbon families, Lisbon Central School Safety and Security/ Emergency Plans Board member, Lock Down and Evacuation drills, exploring alternative parking ideas for Halloween in Strawberry Fields, continued communications with local businesses, Addressed Sixth, Seventh, and Eight h Grade students about Internet Safety, continued to monitor and utilize the Lisbon Resident Trooper Facebook page to connect with the public, high visibility during dismissal of walkers and bikers at LCS, and worked closely with School Administration. I have continued to dedicate time every week to be visible inside the school and develop relationships with students, teachers, and parents. The year 2020 saw an increase in Pistol Permit Applications and fingerprint requests.

Lisbon Resident Trooper TFC. Joseph Adams #1360

TFC.  #1360

1 Newent Road
Lisbon, CT 06351
Tel. (860) 376-8868
An Equal Opportunity Employer

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 2019/20 ACCOMPLISHMENTS:

- COVID-19 required the Uncas Health District to implement its pandemic influenza plan. The District has been responsible for managing local data, Contact Tracing, Vaccination and education within the schools, businesses and general public.
- The Uncas Health District is comprised of eleven municipalities and 98,897 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>		19-20
INDICATOR		ACTUAL
	Restaurant Inspections	31
	Complaints Investigated	7
	Complaints Closed	7
	Septic Permits	14
	Discharge Permits	22
	Well Permits	17
	Public Bathing Area Samples	2
	Group Home / Daycare Inspections	0
	Campground Inspections	4
	Public Pool Inspection	0
	Septic & B100a Plans Reviewed	29
	Temporary Food Permits	4
	Salon Inspections	6
	Tattoo facility	1

* Reflects COVID closures and virtual inspections.



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. Monitoring and maintenance of the pump station and its equipment remains contracted to Norwich Public Utilities. 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.

The fall of 2019 saw a major line blockage with the Authority chairman working with a contractor to clear the line of accumulated debris. The chairman researched the potential for changing elements of the system such as larger diameter pipes and less severe angles were examined as was the operation of a grinder pump at a major customer's facility. The chairman conducted a visual inspection of the above ground portion of the system at the crossing along the Quinebaug River and observed damage to the piping. Despite the presence of a WPCA installed bar gate meant to limit access to the location, it remains challenging to control trespassing along the system right of way. The chairman also worked with Towne Engineering to conduct contracted system inspections at customer locations. These inspections are conducted at least annually to ensure compliance with requirements for the pump out of grease tanks and general system maintenance. Of particular concern during this inspection cycle was the infiltration of stormwater into the system through poorly sealed manhole covers. Customers were informed of inspection results so that issues noted could be addressed.

Throughout the year a long-term analysis of revenue and expenditure data was conducted to ensure the long-term viability of the WPCA's finances. Ultimately this analysis will be used to determine if a rate increase may be necessary. Another long-term initiative was the digitization of existing regulations. Once complete, pending updates to the regulations will be undertaken in consultation with the Authority's legal counsel.

Upon the arrival of the pandemic, regular WPCA meetings were curtailed with the Authority chairman continuing to provide oversight for system operations. The long-term effects of the pandemic on business operations in the sewer district and the revenue picture for the WPCA remain to be seen. Despite these challenges, 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



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 2019/2020

The Zoning Board of Appeals had a total of three applications during the 2019/2020 Fiscal year. These applications and the decisions were as follows:

Application #19-01 for Location Approval of Automobile Dealer's or Repairer's License – Applicant, Peter Oddo, Pete's Auto Lisbon, LLC, 16 River Road. **APPROVED**

Application #20-01 for Variance Approval of the Zoning Regulations Section 9.1, Non-Conforming Uses and Section 8.2, Maximum Residential Density in R-60 Zone – Applicant, Daniel Gauthier, 140 Ross Hill Road. **APPROVED**

Application #20-2 for Variance of the Zoning Regulations Section 8.5, Rear Setback Requirements – Robert Roark, 5 Sylvandale Road, Applicant. **APPROVED WITH CONDITION**

The Board had a FY 2019/2020 budget of \$2500.00 and of that, spent \$1669.00.

The following were active members in FY 2019/2020:

Steven Beck (Chairman)
 Leo MacDonald (Vice-Chairman)
 Ronald Babbitt
 Frederick Kral, III
 Robert Jencks
 Robert Chubka (Alternate)
 James Contino (Alternate, as of November 2019)

No meetings were held in March, April & May of 2020 due to COVID19 closings and Governor's Executive Orders. Meetings resumed virtually in June, 2020.

Respectfully,

Steven Beck, Chairman

TOWN OF LISBON, CONNECTICUT

Annual Financial Statements

For the Year Ended June 30, 2020

TOWN OF LISBON, CONNECTICUT
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For the Year Ended June 30, 2020

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TOWN OF LISBON, CONNECTICUT

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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, 2020, 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, 2020, 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 49-56, and Pension and OPEB schedules on pages 57-60 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.

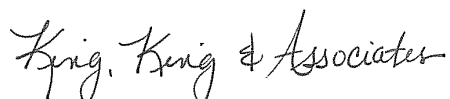
Other Information

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 3, 2020, 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 the effectiveness of the Town of Lisbon, CT's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Lisbon, CT's internal control over financial reporting and compliance.



King, King & Associates, P.C., CPAs
Winsted, CT
November 3, 2020

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2020

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, 2020.

FINANCIAL HIGHLIGHTS

- The assets of the Town of Lisbon, CT exceeded its liabilities at the close of the most recent fiscal year by \$17,078,170 (*net position*). Governmental activities reflect an unrestricted net position in the amount of \$3,104,803 which may be used to meet ongoing obligations to citizens and creditors. Restricted Net Position of \$987,023 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 \$128,343.
- As of the close of the current fiscal year, the Town of Lisbon, CT's governmental funds reported combined ending fund balances of \$5,948,682, an increase of \$822,660 in comparison with the prior year. Of this amount, \$2,567,144 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 \$2,567,144 or 19.67 percent of total General Fund budget basis expenditures and transfers. The total fund balance of the General Fund was \$2,738,457 or 20.98 percent of total General Fund budget basis expenditures and transfers.
- 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. 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, 2020

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, 2020

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 22-48 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 \$17,078,170 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 7,182,608	\$ 6,337,267	\$ 154,825	\$ 182,305	\$ 7,337,433	\$ 6,519,572
Capital Assets	11,840,790	12,116,405	2,369,684	2,474,344	14,210,474	14,590,749
Total Assets	19,023,398	18,453,672	2,524,509	2,656,649	21,547,907	21,110,321
Deferred Outflows						
of Resources	780,282	681,382	-	-	780,282	681,382
Long-term Liabilities	3,612,269	4,282,724	-	-	3,612,269	4,282,724
Other Liabilities	1,042,051	1,030,518	55,487	59,314	1,097,538	1,089,832
Total Liabilities	4,654,320	5,313,242	55,487	59,314	4,709,807	5,372,556
Deferred Inflows						
of Resources	540,212	73,196	-	-	540,212	73,196
Net Position:						
Net Investment						
in Capital Assets	10,516,222	10,510,315	2,369,684	2,474,344	12,885,906	12,984,659
Restricted	988,123	948,670	-	-	988,123	948,670
Unrestricted	3,104,803	2,289,631	99,338	123,021	3,204,141	2,412,652
Total Net Position	\$ 14,609,148	\$ 13,748,616	\$ 2,469,022	\$ 2,597,365	\$ 17,078,170	\$ 16,345,981

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 \$98,753 primarily due to depreciation being greater than fixed asset additions and the pay down of related debt.

The Town's restricted net position of \$988,123 increased by \$39,453 compared to last years restricted net position of \$948,670.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2020

The Town's unrestricted net position of \$3,204,141 increased by \$791,489 compared to last years unrestricted net position of \$2,412,652. This increase is primarily due to the current year's increase in Net Position resulting from higher than anticipated tax collections and grant revenues.

	Governmental Activities		Business-Type Activities		Totals	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUES						
<i>General Revenues:</i>						
Property Taxes	\$ 9,986,275	\$ 9,504,361	\$ -	\$ -	\$ 9,986,275	\$ 9,504,361
Unrestricted Grants & Contributions	333,010	327,644	-	-	333,010	327,644
Unrestricted Investment Income	118,974	148,399	2,583	3,633	121,557	152,032
<i>Program Revenues:</i>						
Charges for Services	483,632	546,940	98,489	118,593	582,121	665,533
Operating Grants and Contributions	5,114,385	5,612,277	-	-	5,114,385	5,612,277
Capital Grants and Contributions	237,427	410,764	-	-	237,427	410,764
Total Revenues	<u>16,273,703</u>	<u>16,550,385</u>	<u>101,072</u>	<u>122,226</u>	<u>16,374,775</u>	<u>16,672,611</u>
EXPENSES						
<i>Governmental Activities:</i>						
General Government	1,774,604	1,786,990	-	-	1,774,604	1,786,990
Fire Protection	224,019	225,990	-	-	224,019	225,990
Police Protection	151,557	162,890	-	-	151,557	162,890
Highways and Streets	764,370	898,328	-	-	764,370	898,328
Seniors and Senior Center	148,320	153,260	-	-	148,320	153,260
Recreation	95,663	105,004	-	-	95,663	105,004
Education	12,201,501	12,951,945	-	-	12,201,501	12,951,945
Interest on Long-Term Debt	53,137	21,284	-	-	53,137	21,284
<i>Business-Type Activities:</i>						
Water Pollution Control Authority	-	-	229,415	267,791	229,415	267,791
Total Expenses	<u>15,413,171</u>	<u>16,305,691</u>	<u>229,415</u>	<u>267,791</u>	<u>15,642,586</u>	<u>16,573,482</u>
Change in Net Position	860,532	244,694	(128,343)	(145,565)	732,189	99,129
Beginning 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>
Ending Net Position	<u>\$ 14,609,148</u>	<u>\$ 13,748,616</u>	<u>\$ 2,469,022</u>	<u>\$ 2,597,365</u>	<u>\$ 17,078,170</u>	<u>\$ 16,345,981</u>

Governmental activities. Governmental activities increased the Town of Lisbon, CT's net position by \$860,532.

Key elements of this increase are as follows:

- Property tax revenues increased by \$481,914. 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 loss of significant revenues from the trash energy plant, property tax rates are expected to continue to increase.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2020

Sixty-one percent (61%) of the revenues of the Town were derived from property taxes, followed by thirty-five percent (35%) 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, five percent (5%) relate to highways and streets, two percent (2%) relate to fire and police protection, two percent (2%) relate to seniors and recreation, and twelve percent (12%) 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 \$104,660 and the decrease in net position totaled \$128,343.

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 \$5,948,682, an increase of \$822,660 in comparison with the prior year. Forty-three percent (43%) 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 \$2,567,144. 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 19.67 percent of total General Fund budget basis expenditures and transfers.

The fund balance of the Town of Lisbon, CT's General Fund increased by \$639,956 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, education grants, building permits and investment income.
- Expenditures coming in less than budgeted, primarily in non-allocated expenditures, highways and streets, and recreation.

Town Aid Road Fund. The fund balance of the Town Aid Road Fund increased by \$78,351 during the current fiscal year. This increase is primarily attributable to interest and dividends of \$8,667 and spending \$69,684 less than the current years Town Aid Road grant received.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2020

Capital Nonrecurring Fund. The fund balance of the Capital Nonrecurring Fund increased by \$147,321 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 \$110,000 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>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Property Taxes	\$ 8,586,200	\$ 9,002,675	\$ 416,475
Intergovernmental	2,942,765	3,197,209	254,444
Local Revenues	1,309,300	1,386,322	77,022
Investment Income	40,000	72,848	32,848
Total Revenues	<u>12,878,265</u>	<u>13,659,054</u>	<u>780,789</u>
EXPENDITURES			
Selectmen	3,249,216	3,031,536	217,680
Education	9,598,391	9,586,291	12,100
Capital Outlay	23,000	16,552	6,448
Debt Service	304,142	304,142	-
Total Expenditures	<u>13,174,749</u>	<u>12,938,521</u>	<u>236,228</u>
OTHER FINANCING SOURCES (USES)			
Appropriation from Fund Balance	423,432	-	(423,432)
Transfers	(110,000)	(110,000)	-
Total Other Financing Sources (Uses)	<u>313,432</u>	<u>(110,000)</u>	<u>(423,432)</u>
INCREASE (DECREASE) IN FUND BALANCE	<u>\$ 16,948</u>	<u>\$ 610,533</u>	<u>\$ 593,585</u>

The original approved budget projected a surplus of \$16,948. The Town approved additional appropriations from fund balance of \$27,074 during the year. There was also an approved \$396,358 that was appropriated from fund balance to pay off the MERS buy-in liability.

Actual revenues came in \$780,789 greater than budget. Much of this is due to higher than expected revenues from the State (above budget by \$254,444), offset by higher than expected tax collections (above budget by \$416,475), building permits (above budget by \$47,844) and investment income (above budget by \$32,848).

Expenditures were \$236,228 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 \$86,288 under budget, registrars of voters which was \$14,242 under budget, highways and streets which was \$44,837 under budget, and recreation which was \$29,599 under budget.

TOWN OF LISBON, CONNECTICUT
Management's Discussion and Analysis
June 30, 2020

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, 2020, amounts to \$14,210,474 (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 \$380,275, which consisted of capital additions of \$312,228, offset by current year depreciation of \$688,898 and disposal of assets of \$3,605.

	<u>2020</u>	<u>2019</u>
<i>Governmental Activities:</i>		
Land	\$ 2,612,463	\$ 2,612,463
Buildings and Systems	6,366,347	6,730,186
Machinery and Equipment	889,577	970,887
Infrastructure	1,972,403	1,802,869
	<u>\$ 11,840,790</u>	<u>\$ 12,116,405</u>
	<u>2020</u>	<u>2019</u>
<i>Business-type Activities:</i>		
Buildings and Systems	<u>\$ 2,369,684</u>	<u>\$ 2,474,344</u>

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

- The addition of a Skid Steer which was abandoned property assimilated by the Town.
- The addition of Harvest Road which is a new subdivision.
- Purchase and disposal of mowers.

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 and liabilities outstanding of \$3,612,269.

	<u>2020</u>	<u>2019</u>
G.O. Bonds	\$ 645,000	\$ 865,000
Unamortized Premium	49,568	66,090
Compensated Absences	338,958	339,977
OPEB Liability	1,637,423	1,693,888
Net Pension Liability	941,320	954,953
MERS Buy-In	-	362,816
Total	<u>\$ 3,612,269</u>	<u>\$ 4,282,724</u>

The Town of Lisbon, CT's total long-term debt and liabilities decreased \$670,455 (15.65 percent) during the current fiscal year due to decreases in the Net Pension and OPEB Liabilities and paydowns of the General Obligation Bonds. The Town also paid off its MERS buy-in liability of \$362,816. 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.

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 2021 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, 2020

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 6,522,373	\$ 141,370	\$ 6,663,743
Investments	4,162	-	4,162
Restricted Cash	107,109	-	107,109
Receivables, Net of Allowance	539,015	13,455	552,470
Other Assets	9,949	-	9,949
Capital Assets:			
Assets Not Being Depreciated	2,612,463	-	2,612,463
Assets Being Depreciated, Net	9,228,327	2,369,684	11,598,011
Total Assets	<u>19,023,398</u>	<u>2,524,509</u>	<u>21,547,907</u>
Deferred Outflows of Resources			
Deferred Outflows - Pension	484,150	-	484,150
Deferred Outflows - OPEB	296,132	-	296,132
Total Deferred Outflows of Resources	<u>780,282</u>	<u>-</u>	<u>780,282</u>
Liabilities			
Accounts Payable and Accrued Items	231,568	55,487	287,055
Unearned Revenue	64,505	-	64,505
Performance Bonds	107,109	-	107,109
Accrued Interest Payable	8,869	-	8,869
Bond Anticipation Note	630,000	-	630,000
Noncurrent Liabilities:			
Due Within One Year	275,114	-	275,114
Due In More Than One Year	3,337,155	-	3,337,155
Total Liabilities	<u>4,654,320</u>	<u>55,487</u>	<u>4,709,807</u>
Deferred Inflows of Resources			
Deferred Inflows - Pension	88,613	-	88,613
Deferred Inflows - OPEB	451,599	-	451,599
Total Deferred Inflows of Resources	<u>540,212</u>	<u>-</u>	<u>540,212</u>
Net Position			
Net Investment in Capital Assets	10,516,222	2,369,684	12,885,906
Restricted:			
Nonexpendable	1,100	-	1,100
Expendable	987,023	-	987,023
Unrestricted	3,104,803	99,338	3,204,141
Total Net Position	<u>\$ 14,609,148</u>	<u>\$ 2,469,022</u>	<u>\$ 17,078,170</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, 2020

	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	\$ 1,774,604	\$ 247,062	\$ 5,500	\$ -	\$ (1,522,042)	\$ -	\$ (1,522,042)
Fire Protection	224,019	-	-	-	(224,019)	-	(224,019)
Police Protection	151,557	-	-	-	(151,557)	-	(151,557)
Highways and Streets	764,370	-	179,511	237,427	(347,432)	-	(347,432)
Seniors and Senior Center	148,320	21,297	255	-	(126,768)	-	(126,768)
Recreation	95,663	32,251	-	-	(63,412)	-	(63,412)
Education	12,201,501	183,022	4,929,119	-	(7,089,360)	-	(7,089,360)
Interest Expense	53,137	-	-	-	(53,137)	-	(53,137)
Total Governmental Activities	15,413,171	483,632	5,114,385	237,427	(9,577,727)	-	(9,577,727)
Business-Type Activities:							
Water Pollution Control Authority	229,415	98,489	-	-	(130,926)	(130,926)	(130,926)
Total Primary Government	\$ 15,642,586	\$ 582,121	\$ 5,114,385	\$ 237,427	(130,926)	(130,926)	(9,708,653)
General Revenues:							
Property Taxes, Payment in Lieu of Taxes, Interest and Liens					9,986,275	-	9,986,275
Grants and Contributions not Restricted to Specific Programs					333,010	-	333,010
Unrestricted Investment Earnings					118,974	2,583	121,557
Total General Revenues and Transfers					10,438,259	2,583	10,440,842
Change in Net Position					860,532	(128,343)	732,189
Net Position at Beginning of Year					13,748,616	2,597,365	16,345,981
Net Position at End of Year					\$ 14,609,148	\$ 2,469,022	\$ 17,078,170

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

TOWN OF LISBON, CONNECTICUT

Balance Sheet Governmental Funds June 30, 2020

	General Fund	Capital Nonrecurring Fund	Town Aid Roads Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 3,549,237	\$ 2,278,234	\$ 598,903	\$ 95,999	\$ 6,522,373
Investments	-	-	-	4,162	4,162
Restricted Cash	107,109	-	-	-	107,109
Receivables, Net of Allowance	249,633	-	-	289,382	539,015
Other Assets	-	-	-	9,949	9,949
Total Assets	\$ 3,905,979	\$ 2,278,234	\$ 598,903	\$ 399,492	\$ 7,182,608
Liabilities					
Accounts Payable and Accrued Items	\$ 229,669	\$ -	\$ 844	\$ 1,055	\$ 231,568
Bond Anticipation Note	630,000	-	-	-	630,000
Unearned Revenue	-	9,463	-	55,042	64,505
Performance Bonds	107,109	-	-	-	107,109
Total Liabilities	966,778	9,463	844	56,097	1,033,182
Deferred Inflows of Resources					
Unavailable Revenue:					
Property Taxes and Interest	153,187	-	-	-	153,187
Sewer Assessment Charges	47,557	-	-	-	47,557
Total Deferred Inflows of Resources	200,744	-	-	-	200,744
Fund Balances					
Nonspendable	-	-	-	1,100	1,100
Restricted	46,669	-	598,059	342,295	987,023
Committed	-	2,048,756	-	-	2,048,756
Assigned	124,644	220,015	-	-	344,659
Unassigned	2,567,144	-	-	-	2,567,144
Total Fund Balances	2,738,457	2,268,771	598,059	343,395	5,948,682
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,905,979	\$ 2,278,234	\$ 598,903	\$ 399,492	\$ 7,182,608

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, 2020

Fund balances reported in governmental funds Balance Sheet **\$ 5,948,682**

**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>	23,962,040
<i>Depreciation</i>	(12,121,250)

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>	153,187
<i>Assessments receivable greater than 60 days</i>	47,557

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

240,070

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>	(645,000)
<i>Bond premiums</i>	(49,568)
<i>Net Pension Liability - MERS</i>	(941,320)
<i>OPEB liability</i>	(1,637,423)
<i>Accrued interest</i>	(8,869)
<i>Compensated Absences</i>	<u>(338,958)</u>

Net position of governmental activities **\$ 14,609,148**

TOWN OF LISBON, CONNECTICUT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Capital Nonrecurring Fund	Town Aid Roads Fund	Nonmajor Governmental Funds	Total
Revenues					
Property Taxes, Interest and Lien Fees	\$ 9,002,675	\$ -	\$ -	\$ -	\$ 9,002,675
Intergovernmental Revenues	4,284,721	18,677	179,511	380,818	4,863,727
Charges for Services	1,386,322	33,000	-	203,786	1,623,108
Interest and Dividends	72,848	37,381	8,667	78	118,974
Other	-	-	-	-	-
Total Revenues	<u>14,746,566</u>	<u>89,058</u>	<u>188,178</u>	<u>584,682</u>	<u>15,608,484</u>
Expenditures					
Current:					
General Government	1,995,441	-	-	8,752	2,004,193
Fire Protection	176,482	-	-	-	176,482
Police Protection	151,557	-	-	-	151,557
Highway and Streets	541,959	-	109,827	-	651,786
Seniors and Senior Center	119,957	-	-	26,825	146,782
Recreation	47,516	-	-	-	47,516
Education	10,688,004	-	-	592,073	11,280,077
Debt Service:					
Principal	220,000	-	-	-	220,000
Interest	39,142	-	-	-	39,142
Capital Outlay	<u>16,552</u>	<u>51,737</u>	<u>-</u>	<u>-</u>	<u>68,289</u>
Total Expenditures	<u>13,996,610</u>	<u>51,737</u>	<u>109,827</u>	<u>627,650</u>	<u>14,785,824</u>
Excess/(Deficiency) of Revenues over Expenditures	749,956	37,321	78,351	(42,968)	822,660
Other Financing Sources/(Uses)					
Transfers In	-	110,000	-	-	110,000
Transfers Out	<u>(110,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,000)</u>
Total Other Financing Sources/(Uses)	<u>(110,000)</u>	<u>110,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	639,956	147,321	78,351	(42,968)	822,660
Fund Balances at Beginning 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>
Fund Balances at End of Year	<u>\$ 2,738,457</u>	<u>\$ 2,268,771</u>	<u>\$ 598,059</u>	<u>\$ 343,395</u>	<u>\$ 5,948,682</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, 2020

Net change in fund balances - total governmental funds	\$ 822,660
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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>	312,228
<i>Depreciation expense</i>	(584,238)
<i>Loss on Disposal</i>	(3,605)

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>	19,465
<i>Assessment revenue accrual basis change</i>	(11,342)

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>	220,000
<i>Amortization of premium</i>	16,522

<i>Amortization of deferred outflows related to pension and OPEB benefits</i>	98,900
<i>Amortization of deferred inflows related to pension and OPEB benefits</i>	(467,016)

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>	3,025
<i>Net Pension Liability - MERS</i>	13,633
<i>MERS payable</i>	362,816
<i>OPEB liability</i>	56,465
<i>Compensated Absences</i>	<u>1,019</u>

Change in net position of governmental activities	<u>\$ 860,532</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, 2020

	Water Pollution Control Authority Fund
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 141,370
Usage Receivable	13,455
Total Current Assets	<u>154,825</u>
Capital Assets:	
Buildings and Improvements	4,186,405
Less Accumulated Depreciation	<u>(1,816,721)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>2,369,684</u>
Total Assets	<u><u>\$ 2,524,509</u></u>
Deferred Outflows of Resources	<u>-</u>
Liabilities	
Current Liabilities:	
Accounts Payable	<u>\$ 55,487</u>
Deferred Inflows of Resources	<u>-</u>
Net Position	
Net Investment in Capital Assets	2,369,684
Unrestricted	<u>99,338</u>
Total Net Position	<u><u>\$ 2,469,022</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, 2020

	Water Pollution Control Authority Fund
OPERATING REVENUES	
Charges for Services	\$ 98,489
OPERATING EXPENSES	
Contractual Services	124,096
Other Supplies and Expenses	659
Depreciation Expense	<u>104,660</u>
Total Operating Expenses	<u>229,415</u>
Operating Income/(Loss)	(130,926)
NONOPERATING REVENUES (EXPENSES)	
Interest Income	<u>2,583</u>
Change in Net Position	(128,343)
Net Position - Beginning of Year	<u>2,597,365</u>
Net Position - End of Year	<u><u>\$ 2,469,022</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, 2020

	Water Pollution Control Authority Fund
Cash Flows from Operating Activities:	
Receipts from Customers and Users	\$ 98,424
Payments to Suppliers	(128,582)
Net Cash Provided by Operating Activities	<u>(30,158)</u>
Cash Flows from Investing Activities:	
Interest Income	<u>2,583</u>
Net Cash Provided by Investing Activities	<u>2,583</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(27,575)
Cash and Cash Equivalents at Beginning of Year	<u>168,945</u>
Cash and Cash Equivalents at End of Year	<u>\$ 141,370</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by Operating Activities:	
Operating Income/(Loss)	\$ <u>(130,926)</u>
Adjustments to Reconcile Income/(Loss) to Net Cash	
Provided by Operating Activities:	
Depreciation	104,660
Change in Assets and Liabilities:	
(Increase) Decrease in Usage Receivable	(65)
Increase (Decrease) in Accounts Payable	<u>(3,827)</u>
Total Adjustments	<u>100,768</u>
Net Cash Provided by Operating Activities	<u>\$ (30,158)</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, 2020

	Custodial Funds Student Activities
Assets	
Cash and Cash Equivalents	\$ 33,995
Net Position	
Restricted for Individuals and Organizations	\$ 33,995

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, 2020

	Custodial Funds Student Activities
Additions	
Charges for Services	\$ 27,525
Deductions	
Activities	<u>25,536</u>
Change in Net Position	1,989
Net Position at Beginning of Year	<u>32,006</u>
Net Position at End of Year	<u><u>\$ 33,995</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 \$16,858. 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, \$27,074 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, 2020:

	Governmental Funds	Proprietary Funds	Fiduciary Funds	Total
Cash	\$ 5,014,833	\$ 141,370	\$ 33,995	\$ 5,190,198
Cash Equivalents	1,507,540	-	-	1,507,540
Restricted Cash	107,109	-	-	107,109
Total	<u>\$ 6,629,482</u>	<u>\$ 141,370</u>	<u>\$ 33,995</u>	<u>\$ 6,804,847</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	\$ 6,804,847
Less: Cash Equivalents (STIF)	(1,507,540)
Plus: Investments (CDs)	4,162
	<u>\$ 5,301,469</u>

At year-end, the Town's carrying amount of deposits subject to custodial credit risk was \$5,301,469 and the bank balance was \$5,582,191. Of the bank balance, Federal Depository Insurance Corporation insured \$549,746.

As of June 30, 2020, \$5,032,445 of the Town's bank balance of \$5,582,191 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 4,479,200
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	553,245
Total	<u>\$ 5,032,445</u>

Cash Equivalents

At June 30, 2020, the Town's cash equivalents (Short-Term Investment Fund "STIF") amounted to \$1,507,540. 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, 2020:

	Governmental Funds
Certificates of Deposit	<u>\$ 4,162</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, 2020, 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	<u>\$ 4,162</u>	<u>\$ -</u>	<u>\$ 4,162</u>	<u>\$ -</u>

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	\$ 180,882	\$ -	\$ -	\$ 180,882
Interest, Liens, and Fees	38,052	-	-	38,052
Assessments	47,557	-	-	47,557
Usage Charges	-	13,455	-	13,455
Loans	-	-	274,842	274,842
Intergovernmental	-	-	7,872	7,872
Accounts	-	-	6,668	6,668
Gross Receivables	<u>266,491</u>	<u>13,455</u>	<u>289,382</u>	<u>569,328</u>
Less allowance for uncollectibles:				
Property taxes	(13,928)	-	-	(13,928)
Interest, Liens, and Fees	(2,930)	-	-	(2,930)
Total allowance	<u>(16,858)</u>	<u>-</u>	<u>-</u>	<u>(16,858)</u>
Net Total Receivables	<u>\$ 249,633</u>	<u>\$ 13,455</u>	<u>\$ 289,382</u>	<u>\$ 552,470</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	\$ 153,187	\$ -
Assessments	47,557	-
Capital Nonrecurring Fund:		
Advances on Grants	-	9,463
Other Governmental Funds:		
Advances on Grants	-	54,240
Prepaid Meals	-	802
	<u> </u>	<u> </u>
Total Unavailable/Unearned Revenue for Governmental Funds	<u>\$ 200,744</u>	<u>\$ 64,505</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, 2020, there were no outstanding balances between funds.

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, 2020 were as follows:

<u>Transfer Out:</u>	<u>Transfer In:</u>	<u>Total</u>
General Fund	Capital Nonrecurring Fund	\$ 110,000

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, 2020:

	Beginning Balance	Increases	Decreases	Ending Balances
<i>Governmental Activities</i>				
Capital assets, not being depreciated				
Land	\$ 2,612,463	\$ -	\$ -	\$ 2,612,463
Construction in Progress	-	-	-	-
Total capital assets, not being depreciated	<u>2,612,463</u>	<u>-</u>	<u>-</u>	<u>2,612,463</u>
Capital assets, being depreciated				
Buildings and Systems	14,609,240	-	-	14,609,240
Machinery & Equipment	3,980,625	36,775	(9,012)	4,008,388
Infrastructure	2,456,496	275,453	-	2,731,949
Total capital assets, being depreciated	<u>21,046,361</u>	<u>312,228</u>	<u>(9,012)</u>	<u>21,349,577</u>
Less accumulated depreciation for:				
Buildings and Systems	7,879,054	363,839	-	8,242,893
Machinery & Equipment	3,009,738	114,480	(5,407)	3,118,811
Infrastructure	653,627	105,919	-	759,546
Total accumulated depreciation	<u>11,542,419</u>	<u>584,238</u>	<u>(5,407)</u>	<u>12,121,250</u>
Total capital assets, being depreciated	<u>9,503,942</u>	<u>(272,010)</u>	<u>(3,605)</u>	<u>9,228,327</u>
<i>Governmental Activities capital assets, net</i>	<u>\$ 12,116,405</u>	<u>\$ (272,010)</u>	<u>\$ (3,605)</u>	<u>\$ 11,840,790</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>1,712,061</u>	<u>104,660</u>	<u>-</u>	<u>1,816,721</u>
Total accumulated depreciation	<u>1,712,061</u>	<u>104,660</u>	<u>-</u>	<u>1,816,721</u>
<i>Business-Type Activities capital assets, net</i>	<u>\$ 2,474,344</u>	<u>\$ (104,660)</u>	<u>\$ -</u>	<u>\$ 2,369,684</u>

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

Governmental Activities:	
General Government	\$ 12,815
Fire Protection	47,412
Highways and Streets	128,493
Recreation	48,147
Seniors and Senior Center	1,538
Education	<u>345,833</u>
Total Depreciation Expense	
Governmental Activities	<u>\$ 584,238</u>
Business-Type Activities:	
WPCA	<u>\$ 104,660</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, 2020 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	\$ 865,000	\$ -	\$ 220,000	\$ 645,000	\$ 220,000
Unamortized Premium	66,090	-	16,522	49,568	16,522
Total Bonds Payable	931,090	-	236,522	694,568	236,522
Compensated Absences	339,977	8,288	9,307	338,958	38,592
OPEB Liability	1,693,888	-	56,465	1,637,423	-
Net Pension Liability	954,953	-	13,633	941,320	-
MERS Buy-In	362,816	-	362,816	-	-
Total	<u>\$ 4,282,724</u>	<u>\$ 8,288</u>	<u>\$ 678,743</u>	<u>\$ 3,612,269</u>	<u>\$ 275,114</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. General obligation bonds outstanding as of June 30, 2020 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, 2020</u>
Water/Schools Refunding Bonds	2012	\$ 3,560,000	2 - 3%	7/15/2022	\$ 645,000

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>
2021	\$ 220,000	\$ 16,050	\$ 236,050
2022	215,000	9,525	224,525
2023	210,000	3,150	213,150
Total	<u>\$ 645,000</u>	<u>\$ 28,725</u>	<u>\$ 673,725</u>

Interest paid and expensed on general obligation bonds for the year ended June 30, 2020 totaled \$22,650.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

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, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance
Bond Anticipation Note	<u>\$ 675,000</u>	<u>\$ 630,000</u>	<u>\$ 675,000</u>	<u>\$ 630,000</u>

The outstanding bond anticipation note carries an interest rate of 2.05% and matures in August 2020. Total interest incurred and expensed on bond anticipation notes during the year was \$16,492.

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. A new 10-year agreement was signed which will begin 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, 2020 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	\$ -	\$ -	\$ -	\$ 4,601	\$ 4,601
Public Works	-	-	598,059	-	598,059
Town Clerk Documents	46,669	-	-	-	46,669
Small Cities Loans	-	-	-	296,341	296,341
Education	-	-	-	32,590	32,590
Senior and Senior Center	-	-	-	8,763	8,763
Total Restricted	\$ 46,669	\$ -	\$ 598,059	\$ 342,295	\$ 987,023
Committed to:					
Capital	\$ -	\$ 2,048,756	\$ -	\$ -	\$ 2,048,756
Total Committed	\$ -	\$ 2,048,756	\$ -	\$ -	\$ 2,048,756
Assigned:					
Education	\$ 124,644	\$ -	\$ -	\$ -	\$ 124,644
Capital	-	220,015	-	-	220,015
Total Assigned	\$ 124,644	\$ 220,015	\$ -	\$ -	\$ 344,659
Unassigned:	\$ 2,567,144	\$ -	\$ -	\$ -	\$ 2,567,144

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).

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.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

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 Studies 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, 2020 were estimated to be \$986,305, and were recognized as revenues and expenditures in the General Fund.

Employees: Effective July 1, 1992, participants are required to contribute 6.00% 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 7.00%. For the year ended June 30, 2020 the certified teachers' contribution to the Connecticut Teachers Retirement Board was \$227,199. Covered payroll for the town for the year ended June 30, 2020 was approximately \$3,245,696.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2020 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>13,030,038</u>
Total	<u>\$ 13,030,038</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2020, the Town had no proportionate share of the net pension liability.

For the year ended June 30, 2020, the Town recognized benefits expense and contribution revenue of \$986,305 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$1,600,311 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	2.50 Percent
Salary increases, including inflation	3.25-6.50 Percent
Long-term investment rate of return, net of pension investment expense, including inflation.	6.90 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 current capital market assumptions and the target asset allocation as provided by the Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Expected Return</u>	<u>Target Allocation</u>	<u>Standard Deviation</u>
Public Equity - US Equity	8.10%	20.00%	17.00%
Public Equity - International Developed Equity	8.50%	11.00%	19.00%
Public Equity - Emerging Markets Equity	10.40%	9.00%	24.00%
Fixed Income - Core Fixed Income	4.60%	16.00%	7.00%
Fixed Income - Inflation Linked Bonds	3.60%	5.00%	7.00%
Fixed Income - High Yield	6.50%	6.00%	11.00%
Fixed Income - Emerging Market Debt	5.20%	5.00%	11.00%
Private Equity	9.80%	10.00%	23.00%
Real Estate	7.00%	10.00%	15.00%
Alternative Investments - Real Assets	8.20%	4.00%	17.00%
Alternative Investments - Hedge Funds	5.40%	3.00%	7.00%
Liquidity Fund	2.90%	1.00%	1.00%

The geometric rates of expected return shown in the table above are nominal returns net of investment expenses.

TOWN OF LISBON, CONNECTICUT

Notes to the Financial Statements

Discount Rate: The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that 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, 2020 the Town reports a total liability of \$941,320 for government-wide financials for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2019, 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, 2019, the Town's proportion was 0.255%.

For the year ended June 30, 2020, the Town recognized pension expense of \$284,396. As of June 30, 2020, 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	\$ 79,811	\$ -
Difference between projected and actual earnings	38,321	-
Difference between expected and actual experience	102,507	84,843
Change of assumptions	248,615	-
Change in proportional share	14,896	3,770
Total	<u>\$ 484,150</u>	<u>\$ 88,613</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:

2021	\$ 133,737
2022	88,775
2023	105,552
2024	<u>(12,338)</u>
	<u>\$ 315,726</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019.

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, 2019, 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, 2019 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	<u>1.00%</u>	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, 2020	\$ 1,341,382	\$ 941,320	\$ 604,366

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 (implicit rate subsidy) was \$16,822 and the teacher's retirement board subsidy was \$2,860.

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, 2019, the following employees are covered by the benefit terms:

Retirees and beneficiaries receiving benefits	3
Active plan members	38
	41

Total OPEB Liability: The Town's total OPEB liability of \$1,397,351 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs: The total OPEB liability was determined based upon a July 1, 2019 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	2.21% (Prior 3.51%)
Inflation Rate	2.60%

Healthcare Cost Trend Rates:

Initial Medical Trend Rate	6.50%
Ultimate Medical Trend Rate	4.60%
Year Ultimate Medical Trend Rate Reached	2027

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 Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2019.

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 3.51% to 2.21%.
- Mortality tables changed from RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to valuation date with Scale MP-2017 to Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2019.
- Utilization changed from 100% of current active members will elect medical coverage at retirement to 80% of current active members will elect medical coverage at retirement.
- Healthcare cost trend rates changed from 7.50% in 2017 reduced to an ultimate rate of 4.60% in 2023 and later to 6.50% in 2019 reduced to an ultimate rate of 4.60% in 2027 and later.

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 6/30/19	\$ 1,693,888
Changes for the year:	
Service Cost	67,666
Interest	61,488
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(429,213)
Changes in Assumptions or other Inputs	263,276
Benefit Payments	(19,682)
Net Changes	(56,465)
Balance at 6/30/20	\$ 1,637,423

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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
Total OPEB Liability	\$ 1,891,745	\$ 1,637,423	\$ 1,429,196

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	\$ 1,397,351	\$ 1,637,423	\$ 1,931,540

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Town recognized OPEB expense of \$109,982. As of June 30, 2020, 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	\$ -	\$ 412,351
Change of assumptions	296,132	39,248
Total	<u>\$ 296,132</u>	<u>\$ 451,599</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:

2021	\$ (16,312)
2022	(16,312)
2023	(16,312)
2024	(16,312)
2025	(16,312)
Thereafter	<u>(73,907)</u>
	<u>\$ (155,467)</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

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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 \$26,957.

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	2.50%
Real Wage Growth	0.75%
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	3.50%
Prior Measurement Date	3.87%

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

Single equivalent interest rate

Measurement Date	3.50%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	3.87%, 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%	0.41%	2.31%
Price inflation		2.50%	
Expected rate of return (Rounded nearest 0.25%)		3.00%	

Discount Rate - The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 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	\$ 1,692,929	\$ 2,032,108	\$ 2,485,188

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 (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB liability	\$ 2,421,662	\$ 2,032,108	\$ 1,721,902

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2020 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>2,032,108</u>
Total	<u>\$ 2,032,108</u>

The net OPEB liability was measured as of June 30, 2019, 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, 2020, the Town had no proportionate share of the net OPEB liability.

For the year ended June 30, 2020, the Town recognized OPEB expense and revenue of \$26,957 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized (\$148,703) for OPEB expense and revenue 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 the Town's reporting period beginning July 1, 2021.

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 the Town's reporting period beginning July 1, 2021.

NOTE 15 – RISKS AND UNCERTAINTIES

The World Health Organization declared the coronavirus outbreak ("COVID-19") a pandemic. The impact of COVID-19 could negatively affect the Town's operations, vendors, and/or taxpayer base. The extent to which the COVID-19 impacts the Town's financial position will depend upon future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken to contain the coronavirus or its impact, among others.

TOWN OF LISBON, CONNECTICUT
Notes to the Financial Statements

NOTE 16 – SUBSEQUENT EVENTS

On August 7, 2020, the Town issued a General Obligation Bond Anticipation Note for \$585,000 and paid \$45,000 from the General Fund to pay off the maturing Bond Anticipation Note. The Note matures on August 6, 2021 and carries an interest rate of 1.34%.

TOWN OF LISBON, CONNECTICUT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2020

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	<u>Budgeted Amounts</u>		Actual	
	<u>Original</u>	<u>Amended</u>	Budgetary	<u>Variance</u>
			Basis	
REVENUES				
Property Taxes				
Property Taxes	\$ 8,576,200	\$ 8,576,200	\$ 8,993,242	\$ 417,042
Benefit Assessment - WPCA	10,000	10,000	9,433	(567)
Sewer Assessment	-	-	-	-
Total Property Taxes	<u>8,586,200</u>	<u>8,586,200</u>	<u>9,002,675</u>	<u>416,475</u>
Intergovernmental				
Education				
Education Cost Sharing	2,748,930	2,748,930	3,024,043	275,113
Other Educational Grants	12,219	12,219	3,900	(8,319)
Total Education	<u>2,761,149</u>	<u>2,761,149</u>	<u>3,027,943</u>	<u>266,794</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	12,208	(11,475)
Total Other	<u>174,286</u>	<u>174,286</u>	<u>162,811</u>	<u>(11,475)</u>
Tax Relief				
Veterans	3,000	3,000	2,184	(816)
Totally Disabled	500	500	441	(59)
Payment in Lieu of Taxes - State Property	3,830	3,830	3,830	-
Total Tax Relief	<u>7,330</u>	<u>7,330</u>	<u>6,455</u>	<u>(875)</u>
Total Intergovernmental	<u>2,942,765</u>	<u>2,942,765</u>	<u>3,197,209</u>	<u>254,444</u>
Local Revenues				
Fees				
Land Fees	18,000	18,000	25,601	7,601
Preservation Fees	750	750	1,110	360
TC Farm Fund MERS	1,000	1,000	1,295	295
Planning and Zoning Fees	4,000	4,000	9,427	5,427
Miscellaneous Fees	600	600	6,562	5,962
Local Capital Improvement Fees	1,800	1,800	1,665	(135)
Sports License Fees	100	100	76	(24)
Dog License Fees	350	350	8,807	8,457
Total Fees	<u>26,600</u>	<u>26,600</u>	<u>54,543</u>	<u>27,943</u>
Permits				
Building Permits	52,500	52,500	100,344	47,844
Pistol Permits	2,000	2,000	1,950	(50)
Total Permits	<u>54,500</u>	<u>54,500</u>	<u>102,294</u>	<u>47,794</u>

See accountant's report.

TOWN OF LISBON, CONNECTICUT

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Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Charges for Services				
Conveyance Tax	\$ 30,000	\$ 30,000	\$ 49,186	\$ 19,186
Copies	7,000	7,000	8,572	1,572
Total Charges for Services	37,000	37,000	57,758	20,758
Wheelabrator				
Contract Fee	1,000,000	1,000,000	975,477	(24,523)
Host Community Royalties	150,000	150,000	155,406	5,406
Total Wheelabrator	1,150,000	1,150,000	1,130,883	(19,117)
Other				
Telecommunications Property	8,000	8,000	8,247	247
Recreation Committee Program Fees	33,000	33,000	32,251	(749)
Senior Van Donation Box	200	200	255	55
Refunds	-	-	91	91
Total Other	41,200	41,200	40,844	(356)
Total Local Revenues	1,309,300	1,309,300	1,386,322	77,022
Investment Income	40,000	40,000	72,848	32,848
Total Revenues	12,878,265	12,878,265	13,659,054	780,789
EXPENDITURES				
General Government				
Selectmen's Office				
First Selectman's Salary	50,014	50,014	50,013	1
Second Selectman's Salary	5,389	5,389	5,387	2
Third Selectman's Salary	5,389	5,389	5,389	-
Bookkeeper's Salary	31,200	32,558	32,557	1
Secretary/Clerk's Salary	39,281	39,391	39,390	1
Selectmens' Supplies	3,000	3,000	2,922	78
Supplies and Expenses	3,000	3,000	1,082	1,918
Total Selectmen's Office	137,273	138,741	136,740	2,001
Town Clerk's Office				
Town Clerk's Salary	49,287	49,287	49,287	-
Assistant Town Clerk's Salary	22,683	22,997	22,997	-
Records Management Service	13,000	13,000	11,441	1,559
Supplies and Expenses	6,000	6,000	5,662	338
Vital Statistics	1,500	1,500	1,495	5
Document Preservation Grant	1	1	-	1
Total Town Clerk's Office	92,471	92,785	90,882	1,903

See accountant's report.

TOWN OF LISBON, CONNECTICUT

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Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	
	<u>Original</u>	<u>Amended</u>	<u>Budgetary</u>	<u>Variance</u>
			<u>Basis</u>	
Tax Collector's Office				
Tax Collector's Salary	\$ 41,885	\$ 41,885	\$ 41,885	\$ -
Tax Clerk's Wages	7,334	8,834	7,943	891
Contracted Service	2,896	2,896	2,844	52
Computer Management/Support	5,252	5,252	4,752	500
On-line Bill Pay	1,275	1,275	1,275	-
Tax Refunds	4,000	12,000	11,602	398
Supplies and Expense	4,250	4,250	3,971	279
Delinquent Motor Vehicle tax Fee	550	550	-	550
Total Tax Collector's Office	<u>67,442</u>	<u>76,942</u>	<u>74,272</u>	<u>2,670</u>
Assessor's Office				
Assessor's Salary	49,359	49,359	46,830	2,529
Assessor's Clerk Salary	8,913	18,066	16,076	1,990
Tax Mapping	7,500	7,500	7,073	427
Computer Maintenance/Support	14,014	14,014	14,014	-
Supplies and Expenses	3,375	3,375	3,268	107
Total Assessor's Office	<u>83,161</u>	<u>92,314</u>	<u>87,261</u>	<u>5,053</u>
Treasurer's Office				
Treasurer's Salary	19,798	19,798	19,797	1
Deputy Treasurer's Salary	1,000	1,000	1,000	-
Supplies and Expenses	150	150	-	150
Bank Charges	100	100	-	100
Total Treasurer's Office	<u>21,048</u>	<u>21,048</u>	<u>20,797</u>	<u>251</u>
Board of Finance				
Auditor	17,050	17,050	17,050	-
Supplies and Expenses	1,500	1,500	898	602
Total Board of Finance	<u>18,550</u>	<u>18,550</u>	<u>17,948</u>	<u>602</u>
Planning and Zoning				
Purchased Services	54,000	58,849	58,849	-
Supplies and Expenses	3,600	3,600	3,151	449
Total Planning and Zoning	<u>57,600</u>	<u>62,449</u>	<u>62,000</u>	<u>449</u>
Zoning Board of Appeals				
Supplies and Expenses	<u>2,500</u>	<u>2,500</u>	<u>1,669</u>	<u>831</u>
Board of Tax Review				
Salaries	825	825	825	-
Supplies and Expenses	225	225	181	44
Total Board of Tax Review	<u>1,050</u>	<u>1,050</u>	<u>1,006</u>	<u>44</u>

See accountant's report.

TOWN OF LISBON, CONNECTICUT

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Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Conservation Committee				
Enforcement Officer	\$ 8,000	\$ 8,000	\$ 4,638	\$ 3,362
Supplies and Expenses	1,800	1,800	1,227	573
Total Conservation Committee	9,800	9,800	5,865	3,935
Recycling Committee				
Purchased Services	55,730	55,730	53,000	2,730
Supplies	100	100	-	100
Total Recycling Committee	55,830	55,830	53,000	2,830
Registrars of Voters				
Democratic Registrar's Salary	8,683	8,683	8,683	-
Republican Registrar's Salary	8,683	8,683	8,683	-
Purchased Services	3,500	3,500	800	2,700
Supplies and Expense	36,000	36,000	24,458	11,542
Democratic Deputy Registrar	300	300	300	-
Republican Deputy Registrar	300	300	300	-
Total Registrars of Voters	57,466	57,466	43,224	14,242
Clerk to the Boards				
Clerk to the Boards	10,000	10,000	6,937	3,063
Supplies and Expenses	600	600	479	121
Total Clerk to the Boards	10,600	10,600	7,416	3,184
Non-Allocated Expenditures				
Employee Insurance	265,254	265,254	258,985	6,269
Social Security and Medicare	60,461	60,461	58,531	1,930
Municipal Education	4,000	4,000	2,848	1,152
Unemployment Compensation	4,000	4,000	433	3,567
Union Related Contingency	5,600	-	-	-
Pension	500	500	-	500
Town Share Retirement Compensation	75,030	75,030	63,757	11,273
Employee Retirement Accrued Liability	436,358	428,427	404,428	23,999
Town Counsel	45,000	45,000	40,904	4,096
Town Engineer	50,000	65,000	62,900	2,100
Insurance and Bonding	222,592	222,592	212,168	10,424
Payroll Service	6,000	6,000	4,888	1,112
Consulting Fees/Contracted Services	55,000	55,000	48,546	6,454
Town Hall Utilities	27,000	27,000	20,609	6,391
Town Hall Maintenance	10,000	10,000	9,859	141
Town Hall Equipment Maintenance	1,500	1,500	1,500	-
Town Hall Computer	7,500	7,500	7,342	158

See accountant's report.

TOWN OF LISBON, CONNECTICUT

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Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Non-Allocated Expenditures (Continued)				
Town Hall Copier Maintenance	\$ 2,000	\$ 2,000	\$ 1,841	\$ 159
Town Hall Postage	10,000	10,000	7,432	2,568
Town Hall Supplies and Expense	3,250	3,250	3,248	2
Advertising and Communications	4,500	4,500	1,957	2,543
Walking Weekend	150	150	150	-
Donations	1,650	1,650	1,200	450
Auditors Contracted Services	1,000	1,000	-	1,000
Total Non-Allocated Expenditures	1,298,345	1,299,814	1,213,526	86,288
Town Memberships				
Town Memberships	97,553	97,553	97,257	296
Other Protection and Prevention				
Building Inspector Wages	27,500	27,500	27,494	6
Animal Control Officer's Salary	13,464	13,464	13,463	1
Zoning Enforcement Wages	10,000	10,000	9,988	12
Building Inspector Supplies and Expenses	2,500	2,500	2,006	494
Dog Damages	1	1	-	1
ZEO Supplies and Expenses	400	400	-	400
Total Other Protection and Prevention	53,865	53,865	52,951	914
Health and Welfare				
Public Health Nursing	2,500	2,500	-	2,500
Health Department	28,252	28,252	28,251	1
Sewer Line Fees	2,500	2,500	-	2,500
Total Health and Welfare	33,252	33,252	28,251	5,001
Total General Government	2,097,806	2,124,559	1,994,065	130,494
Fire Protection				
Lisbon Volunteer Fire Department	111,000	111,000	111,000	-
LVFD SCBA's	2,800	2,800	2,228	572
Hydrant Rental	32,200	33,621	33,620	1
Recruitment/Retention	17,479	17,479	17,479	-
Fire Marshal's Salary	8,574	8,574	4,615	3,959
Fire Marshal Supplies and Expense	3,000	3,000	2,734	266
Dept. of Emergency Mgmt. Director's Stipend	1,750	1,750	1,750	-
Tree Warden Stipend	600	600	600	-
Burning Official	200	200	200	-
Dept. of Emergency Mgmt. Expense	3,000	3,000	2,256	744
Total Fire Protection	180,603	182,024	176,482	5,542

See accountant's report.

TOWN OF LISBON, CONNECTICUT

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Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Police Protection				
Resident State Trooper Contract	\$ 146,863	\$ 138,863	\$ 138,863	\$ -
Trooper's Supplies and Expenses	3,000	3,000	2,940	60
Resident State Trooper Overtime	10,000	10,000	9,754	246
Total Police Protection	<u>159,863</u>	<u>151,863</u>	<u>151,557</u>	<u>306</u>
Highways and Streets				
Highway Department Salaries	249,600	256,296	256,296	-
Street Lighting	33,000	33,000	24,001	8,999
Contracted Services	50,000	50,000	38,503	11,497
Town Garage Utilities	40,000	40,000	38,995	1,005
Town Equipment and Trucks	85,000	85,000	79,973	5,027
Highway Department Supplies	8,000	8,000	7,986	14
Road Repair and Maintenance	49,500	49,500	49,296	204
General Road Repair	20,000	20,000	11,866	8,134
Town Garage Maintenance	15,000	15,000	14,741	259
Sanitation	30,000	30,000	20,302	9,698
Total Highways and Streets	<u>580,100</u>	<u>586,796</u>	<u>541,959</u>	<u>44,837</u>
Seniors and Senior Center				
Senior Coordinator's Salary	44,132	44,242	44,242	-
Van Driver's Salary	24,141	24,141	20,493	3,648
Senior Meal Site Wages	17,982	18,076	18,075	1
Senior Center Coverage Wages	4,800	4,800	4,171	629
Senior Citizen's Services	3,500	3,500	3,486	14
Senior Center Utilities	15,000	15,000	13,861	1,139
Senior Center Maintenance	11,000	9,500	9,474	26
Senior Van Maintenance	2,500	4,000	3,155	845
Senior Coordinator Supplies	1,000	1,000	677	323
Senior Center Supplies	1,200	1,200	1,140	60
Senior Center Copier Expense	1,400	1,400	1,183	217
Total Seniors and Senior Center	<u>126,655</u>	<u>126,859</u>	<u>119,957</u>	<u>6,902</u>
Recreation				
Special Events	49,500	49,500	37,437	12,063
Recreation Purchased Services	19,000	19,000	7,998	11,002
Recreation Supplies	1,265	1,265	24	1,241
Recreation Maintenance of Municipal Rec Field:	2,150	2,150	-	2,150
Lisbon Meadows Park	5,200	5,200	2,057	3,143
Total Recreation	<u>77,115</u>	<u>77,115</u>	<u>47,516</u>	<u>29,599</u>
Education				
Board of Education	<u>9,598,391</u>	<u>9,598,391</u>	<u>9,586,291</u>	<u>12,100</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, 2020

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	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
Capital Outlay				
Capital Improvements	\$ 20,000	\$ 20,000	\$ 15,132	\$ 4,868
Equipment, Furniture, Fixtures	3,000	3,000	1,420	1,580
Total Capital Outlay	<u>23,000</u>	<u>23,000</u>	<u>16,552</u>	<u>6,448</u>
Debt Service				
Principal, General Obligation Bond	220,000	220,000	220,000	-
Principal, Hoydilla Property	45,000	45,000	45,000	-
Interest, General Obligation Bond	22,650	22,650	22,650	-
Interest, Hoydilla Property	16,492	16,492	16,492	-
Total Debt Service	<u>304,142</u>	<u>304,142</u>	<u>304,142</u>	<u>-</u>
Total Expenditures	<u>13,147,675</u>	<u>13,174,749</u>	<u>12,938,521</u>	<u>236,228</u>
Excess (Deficiency) of Revenues				
Over Expenditures	(269,410)	(296,484)	720,533	1,017,017
Other Financing Sources and (Uses)				
Appropriation from Fund Balance	396,358	423,432	-	(423,432)
Transfers Out	(110,000)	(110,000)	(110,000)	-
Total Other Financing Sources and (Uses)	<u>286,358</u>	<u>313,432</u>	<u>(110,000)</u>	<u>(423,432)</u>
Excess (Deficiency) of Revenues and Other				
Financing Sources over Expenditures and				
Other Financing (Uses) - Budgetary Basis	<u>\$ 16,948</u>	<u>\$ 16,948</u>	610,533	<u>\$ 593,585</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			1,013,262	
Expenditures from Teachers' Retirement and OPEB			(1,013,262)	
Payments on Behalf of the Town not Recorded on a Budgetary Basis:				
Revenues from Excess Cost Grant			74,250	
Expenditures from Excess Cost Grant			(74,250)	
Encumbrances Recorded on a Budget Basis, but not on the Modified Accrual Basis:				
Prior Year Encumbrances			(133,801)	
Current Year Encumbrances			124,644	
Change in Accrued Payroll:				
Board of Education			(5,044)	
General Government			(1,376)	
Paydown of BAN is Reclassed Against Outstanding Balance			<u>45,000</u>	
Excess (Deficiency) of Revenues and Other Financing Sources				
over Expenditures and Other Financing (Uses) - GAAP Basis			<u>\$ 639,956</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, 2020

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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 Six Fiscal Years

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

	2020	2019	2018	2017	2016	2015
Town's Percentage of Collective Net Pension Liability	0.255%	0.250%	0.251%	0.251%	0.197%	0.197%
Town's Portion of Net Pension Liability	\$ 941,320	\$ 954,953	\$ 414,874	\$ 492,619	\$ 269,858	\$ 202,758
Town's Covered Payroll	\$ 655,648	\$ 702,823	\$ 597,453	\$ 597,453	\$ 437,388	\$ 437,388
Town's Portion of Net Pension Liability as a % of Covered Payroll	143.57%	135.87%	69.44%	82.45%	61.70%	46.36%
Plan Fiduciary Net Position as a % of Total Pension Liability	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

Schedule of Employer Contributions
Since Inception of GASB 68

	2020	2019	2018	2017	2016	2015
Town's Contractually Required Contribution	\$ 79,811	\$ 72,945	\$ 71,152	\$ 67,990	\$ 49,478	\$ 48,686
Town's Contributions in Relation to the Contractually Required Contribution	79,811	72,945	71,152	67,990	49,478	48,686
Town's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 655,648	\$ 702,823	\$ 597,453	\$ 597,453	\$ 437,388	\$ 437,388
Town's Contributions as a Percentage of Covered Payroll	12.17%	10.38%	11.91%	11.38%	11.31%	11.13%

Notes to Schedule of Employer Contributions

The actuarially determined contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date. The following actuarial methods and assumptions were used to determine the most recent contributions reported in the schedule:

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	21 years
Asset valuation method	5-year smoothed market (20% write up)
Inflation	3.25%
Salary Increases	4.25%-11.00%, including inflation
Investment rate of return	8.00% net of investment expense, including inflation

See accountant's report.

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

Schedule of Proportionate Share of Net Pension Liability

	2020	2019	2018	2017	2016	2015
Town's percentage of the net pension liability	0.00%	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	13,030,038	10,046,917	10,663,253	11,249,813	8,517,731	7,872,936
Total	\$ 13,030,038	\$ 10,046,917	\$ 10,663,253	\$ 11,249,813	\$ 8,517,731	\$ 7,872,936
Town's covered payroll	\$ 3,289,182	\$ 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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule

The actuarially determined contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date.

The following actuarial methods and assumptions were used to determine the most recent contributions reported:

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 Three Fiscal Years

Schedule of Proportionate Share of Net OPEB Liability

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's percentage of the net OPEB liability	0.00%	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	<u>2,032,108</u>	<u>2,008,405</u>	<u>2,744,583</u>
Total	<u>\$ 2,032,108</u>	<u>\$ 2,008,405</u>	<u>\$ 2,744,583</u>
Town's covered payroll	<u>\$ 3,289,182</u>	<u>\$ 3,097,173</u>	<u>\$ 3,133,413</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll.	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>

Notes to Schedule

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 Total OPEB Liability
Last Three Fiscal Years

	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 67,666	\$ 59,080	\$ 60,760
Interest	61,488	61,674	55,622
Differences Between Expected and Actual Experience	(429,213)	(22,655)	(5,334)
Changes of Assumptions	263,276	69,404	(53,609)
Benefit Payments	<u>(19,682)</u>	<u>(16,221)</u>	<u>(15,423)</u>
Net Change in Total OPEB Liability	(56,465)	151,282	42,016
Total OPEB Liability - Beginning	<u>1,693,888</u>	<u>1,542,606</u>	<u>1,500,590</u>
Total OPEB Liability - Ending*	<u>\$ 1,637,423</u>	<u>\$ 1,693,888</u>	<u>\$ 1,542,606</u>
 Covered Payroll	 \$ 2,876,639	 \$ 3,063,360	 \$ 2,985,731
 Total OPEB Liability as a Percentage of Covered Payroll	 56.92%	 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.

Notes to Schedule

Measurement Date	June 30, 2020
Valuation Date	July 1, 2019
Actuarial Cost Method	Entry Age Normal
Salary Increases	2.60%
Healthcare Cost Trend Rates	6.50%, reducing by 0.25% each year to an ultimate rate of 4.60% per year.

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	SPECIAL REVENUE FUNDS					PERMANENT FUNDS		
	Miscellaneous Town Grant Fund	Cafeteria Fund	After School Child Care Fund	Shooting Stars Fund	Education Grants Fund	Palmer Fund	Preston Learned Fund	Total
Assets								
Cash and Cash Equivalents	\$ 45,299	\$ 4,179	\$ 9,604	\$ 4,733	\$ 28,385	\$ 697	\$ 3,102	\$ 95,999
Investments	-	-	-	4,162	-	-	-	4,162
Receivables, Net	274,842	206	6,668	-	7,666	-	-	289,382
Other Assets	-	9,361	588	-	-	-	-	9,949
Due from Other Funds	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 320,141</u>	<u>\$ 13,746</u>	<u>\$ 16,860</u>	<u>\$ 8,895</u>	<u>\$ 36,051</u>	<u>\$ 697</u>	<u>\$ 3,102</u>	<u>\$ 399,492</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts Payable and								
Accrued Items	\$ 147	\$ 776	\$ -	\$ 132	\$ -	\$ -	\$ -	\$ 1,055
Unearned Revenues	21,751	802	-	-	32,489	-	-	55,042
Due to Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>21,898</u>	<u>1,578</u>	<u>-</u>	<u>132</u>	<u>32,489</u>	<u>-</u>	<u>-</u>	<u>56,097</u>
Fund Balances:								
Nonspendable	-	-	-	-	-	100	1,000	1,100
Restricted	298,243	12,168	16,860	8,763	3,562	597	2,102	342,295
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>298,243</u>	<u>12,168</u>	<u>16,860</u>	<u>8,763</u>	<u>3,562</u>	<u>697</u>	<u>3,102</u>	<u>343,395</u>
Total Liabilities and Fund Balances	<u>\$ 320,141</u>	<u>\$ 13,746</u>	<u>\$ 16,860</u>	<u>\$ 8,895</u>	<u>\$ 36,051</u>	<u>\$ 697</u>	<u>\$ 3,102</u>	<u>\$ 399,492</u>

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, 2020

	SPECIAL REVENUE FUNDS						PERMANENT FUNDS		
	Miscellaneous	Cafeteria	After School	Shooting	Education	Total	Palmer	Preston	Total
	Town Grant Fund	Fund	Child Care Fund	Stars Fund	Grants Fund		Fund	Learned Fund	
Revenues									
Intergovernmental Revenues	\$ 5,500	\$ 80,647	\$ -	\$ -	\$ 294,671	\$ -	\$ -	\$ -	\$ 380,818
Charges for Services	4,474	74,624	79,698	16,290	28,700	-	-	-	203,786
Interest Income	-	-	-	71	-	-	1	6	78
Other Revenue	-	-	-	-	-	-	-	-	-
Total Revenues	9,974	155,271	79,698	16,361	323,371	-	1	6	584,682
Expenditures									
General Government	8,752	-	-	-	-	-	-	-	8,752
Police Protection	-	-	-	-	-	-	-	-	-
Seniors and Senior Center	5,785	-	-	21,040	-	-	-	-	26,825
Education	-	184,108	84,595	-	323,370	-	-	-	592,073
Total Expenditures	14,537	184,108	84,595	21,040	323,370	-	-	-	627,650
Excess/(Deficiency) of Revenues Over Expenditures	(4,563)	(28,837)	(4,897)	(4,679)	1	1	1	6	(42,968)
Other Financing Sources/(Uses)									
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(4,563)	(28,837)	(4,897)	(4,679)	1	1	1	6	(42,968)
Fund Balances at Beginning of Year	302,806	41,005	21,757	13,442	3,561	696	3,096	386,363	
Fund Balances at End of Year	\$ 298,243	\$ 12,168	\$ 16,860	\$ 8,763	\$ 3,562	\$ 697	\$ 3,102	\$ 343,395	

See accountant's report.

TOWN OF LISBON, CONNECTICUT

Schedule of Debt Limitation

June 30, 2020

Total Tax Collections, Including Interest and Lien Fees - Prior Fiscal Year \$ 8,510,353

Reimbursement for Revenue Loss on:

Tax Relief for Elderly and Disabled - Prior Fiscal Year 415

Base \$ 8,510,768

	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>\$ 19,149,228</u>	<u>\$ 38,298,456</u>	<u>\$ 31,915,380</u>	<u>\$ 27,659,996</u>	<u>\$ 25,532,304</u>
Indebtedness:					
Bonds Payable**	<u>630,000</u>	<u>219,300</u>	<u>425,700</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>630,000</u>	<u>219,300</u>	<u>425,700</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Debt*	<u>\$ 18,519,228</u>	<u>\$ 38,079,156</u>	<u>\$ 31,489,680</u>	<u>\$ 27,659,996</u>	<u>\$ 25,532,304</u>

**Includes \$630,000 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 \$59,575,376.

See accountant's report.

TOWN OF LISBON, CONNECTICUT
Schedule of Property Taxes Levied, Collected, and Outstanding
For the Year Ended June 30, 2020

List of 10/1:	Outstanding July 1, 2019	Current Lewy	Lawful Corrections		Collectible Taxes	Collections During the Year			Transfers to Suspense	Outstanding June 30, 2020
			Additions	Deductions		Taxes	Interest	Liens		
2018		\$ 8,864,841	\$ 40,207	\$ 25,589	\$ 8,879,459	\$ 8,766,840	\$ 30,219	\$ 40	\$ 8,797,099	\$ -
2017	\$ 117,411	-	37,254	1,964	152,701	105,623	15,841	564	122,028	-
2016	32,340	-	32,759	1,615	63,484	44,804	8,906	212	53,922	8,519
2015	8,709	-	-	4,197	4,512	636	2,431	48	3,115	-
2014	7,230	-	-	364	6,866	4,266	4,026	48	8,340	-
2013	6,271	-	-	364	5,907	1,359	4,127	48	5,534	-
2012	1,739	-	-	362	1,377	1,128	367	24	1,519	249
2011	633	-	366	731	268	-	-	-	-	268
	\$ 174,333	\$ 8,864,841	\$ 110,586	\$ 35,186	\$ 9,114,574	\$ 8,924,656	\$ 65,917	\$ 984	\$ 8,991,557	\$ 9,036
Net Grand List - October 1, 2018						1,945	2,437	-	4,382	
Tax Rate: 23.23 mills						\$ 8,926,601	\$ 68,354	\$ 984	\$ 8,995,939	

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, 2020

	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	\$ -	\$ -	\$ (33,060)	\$ -	\$ 355,356
LCS Oil Tank Removal	284,894	-	-	-	-	284,894
School Window Project	122,922	-	-	-	-	122,922
1 South Burham Highway	54,500	-	-	-	-	54,500
Ford F-550 Mason Dump Truck	1,000	-	-	-	-	1,000
Open Space Fees	82,400	-	-	-	33,000	115,400
Capital Projects	327,659	30,000	-	-	-	357,659
Plan of Conservation and Development	165,028	10,000	-	-	-	175,028
Salt Shed Construction	190,000	15,000	-	-	-	205,000
Public and Safety Vehicles	130,104	40,000	-	-	-	170,104
Revaluation	62,800	10,000	-	-	-	72,800
Strawberry Fields Sidewalks	-	-	-	(18,677)	18,677	-
Land Purchases	57,345	5,000	-	-	-	62,345
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	-	-	-	-	-	-
Total Committed Fund Balance	1,938,816	110,000	-	(51,737)	51,677	2,048,756
Assigned Fund Balance:						
Undesignated	182,634	-	-	-	37,381	220,015
Total Fund Balance	\$ 2,121,450	\$ 110,000	\$ -	\$ (51,737)	\$ 89,058	\$ 2,268,771

See accountant's report.



The Burnham Tavern Trails underwent a considerable amount of work during FY 2019/2020. For a map of the Burnham Tavern Trails, visit the Trail Committee webpage at www.lisbonct.com/trail-committee.