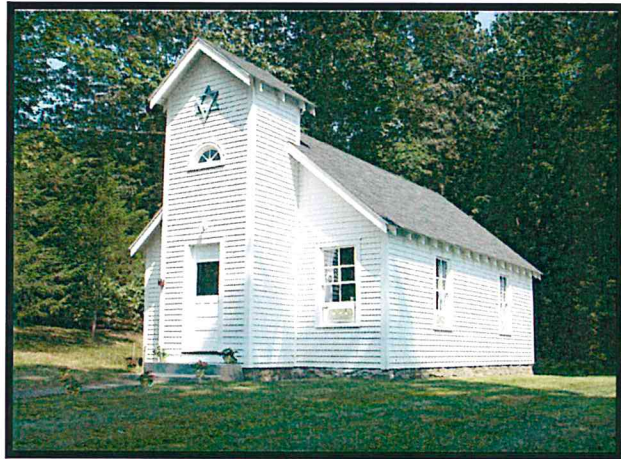


TOWN OF LISBON



ANNUAL REPORT

Fiscal Year 2017/2018



This year the Board of Finance has kindly permitted the Lisbon Historical Society to be the featured town organization for the Annual Report. Further information and a detailed report of the activities of the society this year is included within the pages of this report. Look for more photos and captions on the inside and outside back cover.

ON THE COVER:

The top photo is the John Bishop House Museum. Built in 1810, the house is a Federal-style farmhouse. The Bishop family was proud to be early settlers of Lisbon, when it was a part of Norwich. The house is notable for having a well shaft in the pantry/buttery, so the family did not have to go outside to get water. In 1986 the Town of Lisbon bought the house and property that includes the community center, and all of Lisbon Meadows Park. The house was to be torn down, but with dedicated members, grants, donations, and a 100-year lease from the town it has been preserved. In 2000 the carriage shed was rebuilt based on early photographs. The John Bishop House is on the Connecticut Register of Historic Places.

The middle photo is the Anshei Israel Synagogue. Built in 1936 it was constructed on land donated by cattle farmer Harry Rothenberg and used by fifteen original founding members. Most came to the area after escaping poverty and prejudice in Eastern Europe, joined by Holocaust survivors after World War II joined. By the late 1980s the synagogue was no longer used. In the mid 1990s Jerome Zukerbraun and another surviving descendant of the congregation worked to add the Synagogue to the State and National Register of Historic Places. In 1998 other members agreed to donate the building and land to the Town of Lisbon, and the Historical Society took on a 100-year lease. Major restoration was performed in 2003, and the building has been maintained since. The building has been featured on several television news shows as well as a documentary on public television. A free booklet on its history is available at Town Hall.

The bottom photo is of the John Burnham Tavern, formally known locally as the Hoydila property. It is reasonably certain the structure was built circa 1750 and was constructed as a tavern. The tavern was popular as both a place for spirits and stagecoach stop for the changing of horses on the way from Norwich to Woodstock. It was an important local part of Revolutionary War history. Its use as a tavern ended when the railroad came through in 1840, and in later years it took on the role as a farmhouse. In 2012 the town purchased the property and its 127 acres, where hay and feed corn is still farmed. Upon touring the structure historians from the state and other preservation experts marveled at how the building has been untouched by time and believe strongly it should be preserved and restored. The Historical Society is planning to restore the building to the period when it was a tavern. The task of restoration is no small matter. With grants dwindling, and plenty of work to be done just to stabilize the building, the road will be long. It is on the Connecticut Register of Historic Places and nominated to the National Register.

Ken Mahler, Chair, buildings & grounds committee

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General Information About Lisbon

Settled	1687
Incorporated	May, 1786
Area within Town borders	16.5 square miles
Population	Estimated 4,275
Grand List as of October, 2016	\$379,041,269
Tax rate for fiscal year 2017-2018	22.5 mils
Assessment ratio	70% property
Assessment date	October 1 st
Fiscal Year	July 1 st to June 30 th
Registered voters	2827
School	Lisbon Central School
Grades	Pre-K to 8 th
Fire Department	Lisbon Volunteer Fire Department
Police Protection	Resident State Trooper
Type of Government	Selectman - Town Meeting, Board of Finance

Town Offices, Services & Officials

First Selectman	Thomas W. Sparkman	376-3400
Selectman	Robert T. Browne, Sr	
Selectman	William Surfus	
Clerk to Bds & Admin Asst.	Marlene LePine, Clerk to the Boards (until 12/31/2018) Elaine Joseph (hired 12/31/2018)	376-3400
Town Clerk's Office	Laurie Tirocchi, Town Clerk / Registrar of Vital Statistics Marjorie Wakely, Assistant Clerk / Assistant Registrar	376-2708
Tax Collector's Office	Gail L. Izbicki, Tax Collector	376-4188
Assessor's Office	Angel Johnstone (hired 12/15/2017) Elaine Joseph (1/2/2018-12/31/2018) Theresa Bodinger (hired 12/31/2018) Deborah Copp, Assessor (until 10/2017) Barbara Burzycki, Clerk (until 12/31/2017)	376-5115
Finance Office	Chris Maynard, Treasurer Laurie Tirocchi, Deputy Treasurer Holly Smelser, Bookkeeper	376-7856
Bank Depository	Dime Bank	
ZEO	Zoning Enforcement Officer - Carl Brown	376-8291
Bldg Inspector	Carl Brown	376-8291
Department of Health	Uncas Health District Albert G. Gosselin, Jr., Sanitarian	823-1189 x-113

Tree Warden	Terry Joseph	908-4669
Senior Center & Municipal agent for the Elderly	Karen Washington, Senior Coordinator Glenda White, Meal Site Server Tom Szafranski, Van Driver	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 Michael Browning (until 7/1/2018) Trooper Joseph Robert Adams	376-8868

Lisbon Central School

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

Justice of the Peace

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

Elected or Term Appointed Officials

Board of Selectman (2 year term)		
(R) Thomas W. Sparkman	First Selectman	11/17/15 -11/21/17-11/19/2019
(R) Robert T. Browne, Sr.		11/17/15–11/21/17-11/19/2019
(D) William C Surfus		1/25/16 – 11/21/17-11/19/2019
Town Clerk (4 year term)		
(D) Laurie Tirocchi		11/05/13 – 01/01/18-1/3/2022
Town Treasurer (2 year term)		
(D) Chris Maynard		11/17/15 - 11/21/17-11/19/2019
Tax Collector (2 year term)		
Gail L. Izbicki		11/17/15-11/21/17-11/19/2019
Registrars (4 year term)		
(R) Mary S. Grant	Registrar	11/09/13-01/04/17-01/06/2021
Daniel Barrett	Assistant Registrar	11/16/15-01/04/17-1/6/2021
(D) Stephen C. Barrett	Registrar	01/09/13–01/04/17-01/06/2021
Leonora J. Szruba	Deputy Registrar	01/09/13–01/04/17-1/6/2021

Board of Finance (6 year term, staggered)		
(R) Michael Zelasky	Chairman	11/17/15 – 11/16/21
(D) Dennis Duplice		11/19/13 – 11/19/19
(R) Miles LaFemina		12/20/2017-11/5/2019
(R) Robert Dufort		11/19/13 – 12/5/2017
(R) Randall Baah		11/21/2017-11/21/2023
(R) Jim McCloud		11/22/11 – 11/21/17
(D) Frank Burzycki		11/17/15 – 11/16/21
(D) Wayne Donaldson		11/21/2017-11/21/2023
(D) Thomas J. Wakely, Jr.		11/22/11 – 11/21/17
(D) Thomas Wakely	Alternate	12/18/2017-11/5/2019
(R) Phillip Kiley	Alternate	2/12/18 - 11/5/2019
(D) Miles Lafemina		11/17/15 – 12/22/2017
(D) Gail Gwiazdowski	Alternate	2/26/2018 – 11/5/2019
(D) Wayne Donaldson		4/11/2016-11/7/2017
Board of Education (6 year term, staggered)		
(R) Ian A. Rogers	Chairman	11/19/13 – 11/19/19
(D) Joan Marshall		12/21/15 -11/7/17 – 11/21/2023
(R) Melissa Becotte-Avery		11/19/13 –11/21/17-11/21/2023
(R) Scott McCabe		11/17/15 – 11/16/21
(D) Joseph P. Lewerk		11/22/11 –11/21/17-11/21/2023
(D) David Nowakowski		11/17/15 – 11/16/21
(D) Judith Jencks		11/19/13 – 11/19/19
(D) Jenny Danburg		11/19/13 – 11/19/19
(R) Melissa Krauss		11/21/2017-11/16/2021
(R) Damian Rickard		11/3/15 – 11/21/17
Board of Assessment Appeals (4 year term, staggered)		
(D) Steven Beck	Chairman	11/19/13 –11/21/17-11/19/2019
(D) Ronald V. Babbitt		11/17/15 – 11/19/19
(R) Kimberly Ann Lang		11/17/15-11/7/17-11/16/2021
Planning & Zoning Commission (4 year term, staggered)		
(R) Robert D. Adams	Chairman	11/19/13 –11/21/17-11/16/2021
(D) Trevor Danburg		11/19/13 –11/21/17-11/16/2021
(D) John Dempsey		11/21/201-11/16/2021
(D) David Gagnon		11/19/13 – 11/21/17
(R) Cheryl Blanchard		11/17/15 – 11/19/19
(R) Sharon R. Gabiga		11/22/11 – 11/19/19
(D) Ronald E. Giroux		11/05/13 –11/21/17-11/16/2021
(R) Ben E. Hull III		11/22/11 –11/19/19
(R) Gary M. Ritacco		11/22/11 – 11/19/19

(D) Kim E. Sperry		11/05/13 –11/21/17-11/16/2021
(R) Vacancy	Alternate	7/15/16 - 11/19/19
(R) Timothy Minor	Alternate	12/18/2017-11/16/2021
(D) James Labonne		11/19/13 – 11/21/17
Vacancy	Alternate	-11/16/2021
(D) John Dempsey		3/14/16 – 11/21/17
Michael J Murphy	Town Planner	
Zoning Board of Appeals	(6 year term, staggered)	
(D) Ronald V. Babbitt	Chairman	11/22/11–11/21/17-11/21/2023
(D) Steven Beck		11/19/13 - 11/19/19
(R) Robert Jencks		11/19/13 - 11/19/19
(R) Leo MacDonald		12/12/11 –11/21/17-11/21/2023
(U) Frederick Kral		12/14/15 – 11/16/21
Vacancy	Alternate	-11/21/2023
(R) Kirk Miles		07/14/14 - 11/21/17
Vacancy	Alternate	– 11/16/21
(D) Robert Chubka	Alternate	08/11/14 – 11/19/19
Constables	(2 year term)	
(D) Trevor Danburg		11/21/17-11/19/2019
(D) Steven M Beck		11/19/13 –11/21/17-11/19/2019
Commission on Aging	(2 year term, staggered)	
Leonora Szubra	Chairwoman	03/01/15 -2/28/17-2/28/2019
Patricia Walburn		6/4/18-2/28/19
Dorothy Coggins		03/01/15 -2/28/17-6/4/18
Joseph Doran		03/01/16 – 02/28/18
Donna Gahram		03/01/16 - 02/28/18
Mary S. Grant		03/01/15 -2/28/17-2/28/2019
Fidelis Kershaw		03/01/16 – 02/28/18
Carol Sadowski		03/01/16 – 02/28/18
Blanche Todriff		03/01/17-2/28/2019
Karen Washington	Senior Coordinator	
Conservation Commission	(2 year term, staggered)	
Richard Hamel	Chairman	11/30/16-11/30/18
Joseph Lewerk		11/30/15-11/30/17-11/30/2019
Mark Robinson		12/1/2016-11/30/2018
Erik Freidenfelds		11/30/15-11/30/17-11/30/2019
Leonora J. Szruba		11/30/16-11/30/18
Mark Sullivan	Alternate	11/25/15- 11/26/17-11/26/2019
Billy McIntosh	Alternate	04/25/15- 4/25/17-4/25/2019
Joe Theroux	Conserv Enforcement Officer	

Recreation Committee		(2 year term, staggered)
Vacancy		- 7/8/2020
Chad Johnson	Chairman	07/08/16- 7/8/18
Nancy Smigiel		07/08/16-7/8/18-7/8/2020
Vacancy		
Darrin Butts		07/08/16-7/8/18
Andrea Kelly		4/30/15-4/30/17-4/30/2019
Lauren Sylvestre		2/22/16 – 4/30/17-4/30/2019
Vacancy		7/8/2020
Keen Tart		7/8/2016-7/8/18
Thomas J. Restivo	Chairman	4/30/17-4/30/2019
Vacancy		- 4/30/19
James Synott		4/30/17-9/1/18
Chris Fabry		4/30/17-4/30/2019
Water Pollution Control Authority (WPCA)		(4 year term)
Vacancy		- 12/31/2022
Robert LaChapelle	Chairman	01/12/15– 12/31/18
James K. Arpin		12/31/16–12/31/2020
Joseph Lewerk		12/31/15 – 12/31/19
Kenneth Robb	Chairman	1/1/15 – 12/31/18
David Wawrynowicz		2/31/15 – 12/31/19
Farmers Market		(year term, staggered)
Sharon Gabiga	Chairman	11/17/15-11/19/19
John Algier		11/20/15-11/19/21
Terry Joseph		11/17/15-11/19/19
Elaine Joseph		11/19/13-11/19/17-11/19/21
Adeline Jernstrom		9/25/2017-11/19/21
Meridith Savluk	Alternate	8/13/18– 11/19/19
Eleanor Grant		11/23/15-7/19/17
Trail Committee		
Joseph Lewerk	Chairman	
Randall Baah		
Chad Johnson		
Vacancy		
Kim Sperry		
Marcia Shafer		
Terry Joseph		
Kevin Shafer		
Steve Brown		

Associated Officials

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

Town of Lisbon - 2019 Meeting Schedule

<u>Board of Selectmen</u>	
Town Hall @ 7:00pm	
January 14, 28	July 8, 22
February 11, 25	August 12, 26
March 11, 25	September 9, 23
April 8, 22	October 28
May 13	November 25
June 10, 24	December 9, 23

<u>Board of Finance</u>	
Town Hall @ 7:00pm	
January 16	July 17
February 20	August 21
March 20	September 18
April 17	October 16
May 15	November 20
June 19	December 18

<u>Board of Education</u>	
LCS Media Center @6:30p.m.	
January 28	July 15
February 25	August 19
March 18	September 16
April 22	October 21
May 20	November 25
June 17	December 16

<u>Trail Committee</u>	
Town Hall @ 7:00pm	
January 9	July 10
February 13	August 14
March 13	September 11
April 10	October 9
May 8	November 13
June 12	December 11

<u>Board of Assessment Appeals</u>	
Town Hall @ 6:00pm	
March 14	September 12

<u>Planning & Zoning Commission</u>	
Town Hall @ 7:00pm	
January 8	July 2
February 5	August 6
March 5	September 3
April 2	October 1
May 7	November 12
June 4	December 3

<u>Zoning Board of Appeals</u>	
Town Hall @ 7:15pm	
January 22	July 23
February 26	August 27
March 26	September 24
April 23	October 22
May 28	November 26
June 25	December 17

<u>Conservation Commission</u>	
Town Hall @ 7:00pm	
January 15	July 16
February 19	August 20
March 19	September 17
April 16	October 15
May 21	November 19
June 18	December 17

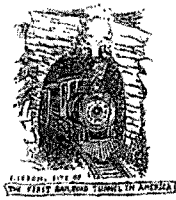
<u>Water Pollution Control Authority</u>	
Town Hall @ 7:00pm	
January 3	July 11
February 7	August 1
March 7	September 5
April 4	October 3
May 2	November 7
June 6	December 5

<u>Commission on Aging</u>	
Lisbon Senior Center @ 7:00pm	
January 7	July 1
February 4	August 5
March 4	September 9
April 1	October 7
May 13	November 12
June 3	December 2

<u>Recreation Committee</u>	
Town Hall @ 7:00pm**	
January 14	July 15** @ 8:00
February 11	August 19** @ 8:00
March 18	September 16
April 15	October 21
May 20	November 18
June 17** @ 8:00	December 16

<u>Farmer's Market Committee</u>	
Town Hall @ 7:00pm	
January 17	July 18
February 21	August 15
March 21	September 19
April 18	October 17
May 16	November 21
June 20	December 19

<u>Lisbon Historical Society</u>	
Town Hall @ 7:00pm	
January 11	July 12
February 8	August 9
March 8	September 13
April 12	October 11
May 10	November 8
June 14	December 13



TOWN OF LISBON
INCORPORATED 1786

BOARD OF SELECTMEN

1 NEWENT ROAD
LISBON, CONN. 06351-2926
TEL. (860) 376-3400
FAX (860) 376-6545



Michael Zelasky, Chairman
Town of Lisbon
Board of Finance
1 Newent Road
Lisbon, Connecticut 06351

Re: Annual report

Dear Mr. Zelasky:

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

While it is certain that the commitment required to complete road projects, maintain our buildings, grounds and infrastructure is significant, there is no questions that the commitment and support of the residents, as well as the Board of Finance allowed these and other projects to go forward. Cooperation with the boards and commissions allowed the Town to receive grant funding to complete phase 1 of a sidewalk replacement project and participate in a housing rehabilitation grant program benefiting many of our low and moderate-income residents. The Board of Selectmen continued to work with our boards, commissions and committees to insure that while we grew our commercial tax base and provide job opportunities, we also protected the rural character of the community, the region and safeguarded our precious environment.

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

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

Thomas W. Sparkman
First Selectman

OFFICE OF THE TOWN CLERK

Laurie Tirocchi
Town Clerk



Marjorie Wakely
Assistant Town Clerk

Annual Report

July 1, 2017 – June 30, 2018 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 2017-2018 fiscal year the town clerk's office has processed:

- 834 land records generating over \$17,600 in recording fees.
- \$32,000 in town conveyance taxes for transfers of property.
- \$4000 in Historic Preservation Grant Funds.
- 390 dog licenses.
- 150 sports fishing & hunting licenses.
- 19 Land Use applications.
- 14 new trade name filings

As Registrar of Vital Statistics, our office is responsible for the recording and preservation of all birth, marriage and death certificates for our town residents. We also issue burial certificates, marriage licenses, and certified vital records which have generated over \$2100 in associated fees for the town. This year we have recorded:

Births – 46

Marriages – 22

Deaths - 38

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

Municipal Election – 11/07/2017

Town Budget Referendum – 5/11/2018

The Town Clerk also serves as clerk at all Town Meetings. This year there were 4 Town Meetings. Our office is also responsible for recording all appointments, posting and receiving/recording all town meeting agendas and minutes, administering the oath of office to all town officials as well as to Lisbon Justice of the Peace and Notary Public officials. The resignations of all town officials are also received and recorded by the Town Clerk who files them with the Secretary of State.

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

Respectfully submitted,
Laurie Tirocchi, CCTC - Town Clerk

TOWN OF LISBON
ANNUAL TOWN MEETING
MAY 7, 2018

Thomas Sparkman called to order the Annual Town Meeting on Monday, May 7, 2018, at 7:00 p.m. in the Lisbon Central School Cafeteria/Gymnasium, 15 Newent Road, Lisbon, Connecticut.

Nomination of Moderator:

Richard Hamel was nominated by William Krauss, seconded by Melissa Avery.

Nominations closed.

VOTE: UNANIMOUS

Richard Hamel was duly chosen Moderator.

Warning was read by Laurie Tirocchi, Town Clerk.

Moderator read item #1:

"To discuss the General Government Budget, for Fiscal Year 2018/2019, as approved by the Board of Finance, in the amount of \$2,786,920."

No Discussion Followed

Moderator read item #2:

"To discuss the Board of Education Budget, for Fiscal Year 2018/2019, as approved by the Board of Finance, in the amount of \$9,483,998."

No Discussion Followed

Moderator read item #3:

"To authorize the Board of Finance, the transfer of \$93,000 from the General Fund, to the Capitol Reserve and Nonrecurring Fund."

Motion made by Robert Grant, seconded by Melissa Krauss, "to approve the Board of Finance transfer of \$93,000 from the General Fund, to the Capitol Reserve and Nonrecurring Fund".

Vote: UNANIMOUS

MOTION CARRIED

Moderator read item #4:

"To adjourn the Annual Town Meeting action upon the General Government Budget and Board of Education Budget, pursuant to "An Ordinance Requiring Referendum Votes for the Annual Town Budget," to a referendum vote on Thursday, May 17, 2018, between the hours of 6:00 a.m. and 8:00 p.m., to be held in at the Lisbon Town Hall, 1 Newent Road, Lisbon, Connecticut 06351."

A motion was made by Mark Robinson, seconded by Randall Baah, to adjourn the Town Meeting to Referendum as read.

Vote: UNANIMOUS

MOTION CARRIED

Town meeting adjourned at 7:05p.m.

Laurie Tirocchi

Town Clerk

**TOWN OF LISBON
RECONVENED ANNUAL TOWN MEETING
MAY 17, 2018**

The Annual Town Meeting of May 7, 2018 was reconvened by Thomas Sparkman, First Selectman, at 8:05 p.m. on May 17, 2018 in the Lisbon Town Hall at 1 Newent Road, Lisbon, CT.

Cindy Palmer, election moderator, read the election totals:

Shall the Town of Lisbon accept the General Government Budget, for Fiscal Year 2018/2019, as approved by the Board of Finance, in the amount of \$2,786,920?

	<u>YES</u>	<u>No</u>
Election Totals:	141	10

GENERAL BUDGET PASSED

Shall the Town of Lisbon accept the Board of Education Budget, for Fiscal Year 2018/2019 as approved by the Board of Finance, in the amount of \$9,483,998?

	<u>YES</u>	<u>No</u>
Election Totals:	134	19

EDUCATION BUDGET PASSED

Motion to adjourn by Robert Browne, seconded by Michael Zelasky.

Town meeting adjourned at 8:07 p.m.

Laurie Tirocchi
Town Clerk

SPECIAL TOWN MEETING
October 5, 2017

A Special Town Meeting was called to order by First Selectman, Thomas Sparkman, on Thursday, October 5, 2017 at 7:00 p.m. in the Lisbon Central School Cafeteria/Gymnasium, 15 Newent Road, Lisbon, Connecticut.

A motion was made by Melissa Becotte-Avery, seconded by Robert Grant, to nominate Richard Hamel as moderator.

There were no further nominations.

Vote: Unanimous
Richard Hamel duly chosen as moderator.

Warning read by Town Clerk, Laurie Tirocchi.

Moderator read Item #1:

“To authorize the Town of Lisbon, as approved by the Board of Finance, to purchase a 2018 Freightliner 114SD dump truck from Freightliner of Hartford at a total cost of \$182,505.00 per state contract #14PSX0239, with funds from the Capital Nonrecurring Fund designated “Public and Safety Vehicles.”

A motion was made by Mark Robinson, seconded by Robert Grant, to approve the purchase of the dump truck as read.

A discussion followed. Questions were answered by Thomas Sparkman, First Selectman.

Susan Hull – Ross Hill Road

Leo MacDonald – South Burnham Hwy

Mark Smith – Blissville Road

Ruth MacDonald – South Burnham Hwy

John Algiere – Preston Allen Road

Mary Ann Carter – Newent Road

Bill Boots – Phillips Road

Vote: Unanimous
Motion Carried

Moderator read Item #2:

“To authorize the Town of Lisbon, as approved by the Board of Finance, to offer for sale by sealed bid, a 1985 International S-1600 dump truck, vehicle identification number 1HTLAHGM6FHA43906.”

A motion was made by Robert Grant, seconded by Mark Robinson, to approve the sale of the dump truck as read.

A discussion followed. Questions were answered by Thomas Sparkman, First Selectman.

Trevor Danburg – Kanahan Road

Vote: Unanimous
Motion Carried

Moderator read Item #3:

To approve an “Ordinance Establishing Citation Procedures and Penalties for Zoning Violations.”

A motion was made by Robert Grant, seconded by Miles LaFemina, to approve accepting the ordinance as read.

A discussion followed. Questions were answered by Thomas Sparkman, First Selectman and Robert Adams, Chairman of Planning & Zoning Commission.

John Algieri – Preston Allen Road

Mark Smith – Blissville Road

Mary Ann Carter – Newent Road

Ben Hull – Ross Hill Road

Randy Brown – Gavin Way

Dennis Savage – South Burnham Hwy

Bill Krauss – Ross Hill Road

Leo MacDonald – South Burnham Hwy

Frank Cormier – Ross Hill Road

Ruth MacDonald – South Burnham Hwy

A motion was made to move to a paper ballot vote by Leo MacDonald, seconded by Ruth MacDonald. Objections were made by the majority.

A call for a division of the house was made by John Algieri, seconded by Frank Burzycki.

Vote: In favor of the ordinance – 18

Opposed to the ordinance – 75

Motion Failed

Item #4 was not acted on because item #3, “An Ordinance Establishing A Citation Hearing Process”, was not approved.

A motion was made by Robert Grant, seconded by Robert Adams, to adjourn the Special Town Meeting at 8:10 p.m.

Vote: Unanimous

Motion Carried

Laurie Tirocchi
Town Clerk

SPECIAL TOWN MEETING

August 3, 2017

A Special Town Meeting was called to order by Thomas W. Sparkman, on Thursday, August 3, 2017 at 7:02 p.m. in the Lisbon Central School Cafeteria/Gymnasium, 15 Newent Road, Lisbon, Connecticut.

A motion was made by William Krauss, 2nd by Randall Baah to nominate Mark Robinson as moderator.

Vote: Unanimous

Mark Robinson duly chosen as moderator.

Warning read by Town Clerk, Laurie Tirocchi.

Moderator read Item #1:

“To authorize the Town of Lisbon, as approved by the Board of Finance, to transfer \$386,216.25 from the General Fund, to the Capital Nonrecurring Fund designated “LCS Underground Tanks.”

A motion was made by Wayne Donaldson, seconded by William Krauss, to approve motion as read.

Vote: Unanimous

Motion Carried

Motion read Item #2:

“To authorize the Town of Lisbon, as approved by the Board of Finance, to expend a total of \$436,216.25 from the Capital Nonrecurring Fund designated “LCS Underground Tanks” for the removal of two (2) underground oil tanks at Lisbon Central School, pending approval of the State of Connecticut for a reimbursement of a portion thereof.”

A motion was made by Randall Baah, seconded by Wayne Donaldson, to approve motion as read.

A comment was made by Wayne Donaldson, 220 Mell Road.

Vote: Unanimous

Motion Carried

A motion was made by Wayne Donaldson, seconded by Bob Browne, to adjourn meeting at 7:06 p.m.

Vote: Unanimous

Motion Carried

Laurie Tirocchi
Town Clerk

OFFICE OF THE ASSESSOR



Grand List 2016

Real Estate: \$320,178,740
Personal Property: \$19,933,491
Motor Vehicle: \$31,745,657
Total Net Grand List: \$371,857,888

Grand List 2017

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

EXEMPTIONS

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

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

FORMS

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

Respectfully submitted:

Angel L Johnstone CCMail
Assessor

Board of Finance

*Fiscal Year 2017-18
Annual Report Narrative*

The Town of Lisbon spent \$134,535 less than was appropriated for the Fiscal Year 2017-18. The General Government side of the budget (everything except education) spent \$128,238 less and the education side spent \$6297 less. The Town brought in \$25,166 less in revenue than was projected. So overall the surplus for the year was \$109,369.

This left the unassigned fund balance at \$1,805,697, which is 13.9% of total revenues for the year. Most bond rating institutes suggest a fund balance of 16% which covers approximately 2 months of expenditures. The Lisbon Board of Finance policy is to maintain a fund balance between 10% and 16%.

The percent of unassigned fund balance is one of several factors that are used by Moody's when assigning the Town's bond rating. Currently Lisbon's bond rating is rated well at Aa3.

At year end, the Town had \$1,915,000 in bonds and long-term bond anticipation notes outstanding. This is a decrease of \$380,000 from last year. Of the debt, \$1,195,000 is permanently financed general obligation bonds. These are being paid over 10 years with a final payment due July 15, 2022. In addition, the Town owes a one-year bond anticipation note in the amount of \$720,000. The Town has been paying off \$45,000 of this each year and refinancing the remainder.

The Town has a pension liability of approximately \$340,000. The Board of Finance is considering paying it off in whole due to the high interest rate being charged.

During the year, the Town added \$924,944 in capital assets including:

- LCS oil tank replacement of \$116,565
- Strawberry Fields sidewalk improvements of \$382,670
- Fire alarm panel for the school of \$49,954
- A dump truck of \$182,106

Wheelabrator, an incinerator located at southern part of town off Route 169, S. Burnham Hwy, pays the town \$1,000,000 in lieu of taxes as well as royalties of approximately \$150,000. The contract is coming to an end in December 2020. Currently negotiations are underway to determine what revenue the Town will receive after that.

Every March, April and May budget meetings take place to work on the next year's budget. All residents of Lisbon are encouraged to come to the meetings and participate by letting your opinions known.

Respectfully Submitted,
Mike Zelasky,
Chairman, Lisbon Board of Finance

Town Treasurer

The transition to Dime Bank in prior fiscal year 2016-2017 has been a tremendous success for the town. Bank fees incurred in fiscal year 2016-2017 were in excess of \$2,000. Bank fees in fiscal year 2017-2018 were reduced to \$0. Additionally, on the investment side, Municipal Money Market Savings accounts were opened at Dime Bank in fiscal year 2017-2018 for various funds. These accounts provided the town with additional options to invest surplus funds in addition to providing easier movement of funds via on-line banking. As shown in the table below the enhanced cash management and investment of surplus funds, combined with rising interest rates, generated over \$82,000 for the town in fiscal year 2017-2018. This reflects an increase of nearly \$55,000, or 200%, compared to fiscal year 2016-2017 and nearly 15 times that of fiscal year 2014-2015!

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

* 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

SALLY KEATING
Superintendent

DIANA CORMIER
Business Manager



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

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

BRIAN APPERSON
Principal

2017 Annual Report

To: Mr. Michael Zelasky, Chairman of Board of Finance

The 2017-2018 school year proved to be a rewarding and productive year for the Lisbon School District. There were several accomplishments and successes for our students and staff. Overall, Lisbon Central School (LCS) continued to be an excellent environment for students to learn and thrive. This was achieved through the efforts and collaboration of the Lisbon Board of Education and the entire Lisbon school community.

One of the major accomplishments was the piloting of a new Language Arts series, ReadyGen, for grades K-6 at LCS. Teachers and students benefitted from this pilot, utilizing state-of-the-art resources. Preliminary results showed improved daily classroom instruction and learning. Smarter Balance Assessment Consortium (SBAC) testing reflected high performance by students in English Language Arts (ELA) in all grade levels. As a result of the positive data, it was decided that ReadyGen be purchased and implemented for the following school year. Students in the primary grades demonstrated strong performance in Math as evidenced by daily classroom instruction and performance on the SBAC testing. Improvement is needed in the area of Math for grades 5-8. A detailed action plan has been developed to boost Math achievement. Student achievement in Science also continued to be strong as teachers and students prepared for the implementation of the Next Generation Science Standards (NGSS) and assessments. In Social Studies, a new curriculum was implemented, and students learned through using authentic resources such as the Declaration of Independence. Students' daily performances in Spanish continued to be exemplary. The special disciplines such as Art, Music, Physical Education, Health, Media, Technology and STEAM continued to be rigorous in supporting instruction in the core subject areas. Teachers of these subject areas also nurtured students' interest and skills in these specific classes, resulting in highly creative and extremely talented learners. In all subjects, the utilization of data teams for the analyses of assessments and the delivery of instruction, the implementation of the Administrator and Teacher Evaluation process, the implementation of Positive Behavioral Interventions and Support (PBIS) and the Cougar Code of Conduct contributed to a positive school climate and to students' high achievement. Staff's ongoing commitment, dedication and exceptional expertise combined with parents' and the community's support fostered an optimal teaching/learning environment.

Regarding Special Education, the Flexible Resource Room continued to be quite successful. Students were appropriately educated at LCS, their home school. Families were happy with having their children close to home in the least restrictive environment, and an additional benefit was cost savings. At the end of the year, it was decided that the program would expand to two classrooms-one class for primary level and one for the intermediate junior high level.

LCS had numerous opportunities for those who enjoy sports, clubs and enrichment activities. Many opportunities were offered to our students. Our Cross-Country Team had a successful year with many young runners leading the way. Both Boys and Girls Basketball Teams did very well. Our Boys Team was awarded the Sportsmanship Award by the local Board of Basketball officials. In the spring, our Baseball Team remained competitive despite being such a young team. Students also participated in Math, Technology, and Cooking Clubs. Our Unified PE class continued to expand its activities, including working in a new exercise room. Students were able to work together to play games and activities that required movement and fun.

As of October 1, 2017, LCS had an enrollment of 390 students, and there were 208 students in grades 9-12. Enrollment dropped slightly from the October 1, 2016 counts. (However, please know October 1, 2018 indicated that LCS had 401 students and 208 students in grades 9-12.)

Norwich Free Academy and Griswold High School are our designated high schools. Students also attend Tech Schools and Magnet Schools. Typically, our students do well, taking top honors, awards and accolades in core curriculum areas as well as in the arts and in sports. We can be very proud of our high school students, and they received their start at LCS.

Administratively, our dedicated Principal continued to do well. Mr. Brian Apperson had been in his second year as Principal and was highly visible and an engaged participant in a multitude of initiatives and activities. The increase of Administrative mandates and responsibilities certainly added to his already busy schedule. He met those challenges with a "can-do" demeanor. Special Education Director, Mrs. Alison Orcutt, also had a very successful year in her first year as Special Education Director/Early Childhood Coordinator. Both Administrators worked in conjunction with Business Manager, Mrs. Diana Cormier, Director of Building and Grounds, Mr. Brian McGlew, Superintendent, Mrs. Sally Keating and the Early Childhood staff at LCS to complete the National Association for the Education of Young Children (NAEYC) reaccreditation for our preschool program. All of our Administrators worked very hard and were very successful in leading the Lisbon School District.

An Underground Storage Tank (UST) Removal Project was studied and done primarily during the 2017-2018 school year. This was a State mandated project due to code compliance. The LCS Superintendent, the Business Manager, Director of Building and Grounds, and the Board of Education worked with the Department of Administrative Services and the Town of Lisbon to do the project according to all regulations in order to receive partial reimbursement from the State. Hundreds of thousands of dollars were saved in capital improvement money, as a result.

Budget was once again a challenge for the Board of Education and Administration. There was a zero per cent budget increase as well as cuts in State Educational Cost Sharing (ECS) funding. Additionally, there were unforeseen special education placements and expenditures, maintenance issues, security needs, etc. Consequently, cautious spending was put into place throughout the year. Although the school year ended within the parameters of our allotted budget, Administration was extremely conservative approving purchases on specific line items.

Security and safety remained top priorities. Fire drills, evacuation drills, shelter-in-place and lockdown drills were done on an ongoing basis throughout the entire year, in accordance with our All-Hazard School Security and Safety Plan. State Troopers also were in attendance for some of these drills to offer support and feedback. Procedures were always followed according to proper protocol.

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

LCS has very supportive and involved parents as well as community members. During the 2017-2018 school year, participation in school events was at an all-time high. The PTO also had a very successful year. PTO sponsored dances, movies, fun runs, etc. They did numerous fundraisers and also provided meals and snacks for staff during special celebrations such as Teacher Appreciation Week and Parent-Teacher Conferences. The LCS PTO has continued to be a vibrant, hardworking and dedicated group of people.

LCS is an outstanding school district with a great reputation for doing what is in the best interest of students. Lisbon can be very proud!

Respectfully Submitted,

Sally Keating

Sally Keating-Superintendent of Schools

**Lisbon Central School
Grade 8 Graduates
2017 – 2018**

Ella Adams	**	Jamal Joinvil
Nicole Bazinet		Jami Krapf
Jacquilynn Bialowas		Taylor Ladyga
Kaitlynn Bialowas	*	Olivia Landry
Gavin Brown		Katie MacLean
Journie Cady	*/**	Anastasia Milhomme
Jason Caplet	*/**	Micah Mlyniec
Travis Combies		Sydney O'Brien
Victoria Cote		Thomas Palmer, Jr.
Raya Cruse	*	Molly Plecan
Gabriel de la Cruz		Jenna Pothier
Zachary DiBernardo	*/**	Paige Raposo
Conner Dwyer		Elijah Raymond
Emma Field	*	Ryan Riley
Judeah Franklin		Sierra Rosario
* Hannah Garvin		Ryan Sabrowske
*/** Dante Gigliotti		Aimee Schroeder
* Hannah Grant		Emily Shaffer
* Caden Haggerty		Shamrah Sheehan
Nicholas Harraka		Gabriel Stedman
Nicole Harrelle	*	Brianne Surfus
Noah Harris	*	Jaxson Synott
Maximilian Imschweiler		Jake Weston
Hannah Jarvis	**	Haylee Zinewicz

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

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

2017-2018 Annual Report of The Lisbon Commission on Aging

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

During the 2017-2018 fiscal year the center had over 4,900 visits; served over 1,100 meals on wheels; 2,500 lunches from its in-house sandwich program; and the van provided over 650 rides.

Updates to the center include new carpeting and repainting in the main lobby, hallways, boardroom and restrooms. New LED lighting has been installed throughout the building.

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 Bradley Playhouse, Providence Performing Arts and Theatre by the Sea, as well as lighthouse cruises, The Essex Steam Train and the annual trip to The Big E. They gave awards to Lisbon Central School graduates in the areas of art, music, drama, best all-around and most improved; and subsidized our annual holiday luncheon. A portion of the newly painted areas were also subsidized.

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

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

Lisbon Recreation Committee 2017/2018 Annual Report

The Lisbon Recreation Committee consisted of the following members who met on the third Monday of each month: Chad Johnson (chair), TJ Restivo (vice-chair), Nancy Smigiel, Chris Fabry, Lauren Sylvestre, Andrea Kelly, Jim Synott, Keen Tart, and Darrin Butts.

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

The numerous improvements that the recreation committee continued to invest in the recreational facilities have resulted in continued increase of usage by Lisbon citizens and beyond. Our online request system allows us to be more effective in monitoring field usage. During the 2017/2018 fiscal year, there were 177 requests to use the baseball field, 189 requests for the soccer field, 168 requests for the softball field, 87 requests to use the pavilion, and 58 requests to reserve the track.

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

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

Trails within the confines of Lisbon Meadows Park continued to be rehabilitated with fill and wood chips to improve the quality and safety of the trail network. All the work conducted on the trail was done on a volunteer basis by committee members as well as several community members during CT Trails Day Weekend in June.

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

The Recreation Committee assisted with the Fall Festival – PTO Color Run. Members of the Recreation Committee assisted in the design and layout of the course and were responsible for setting up and breaking down the event. The Recreation Committee coordinated a Knockerball activity which involved knocker-soccer and other events using their equipment.

The women's volleyball program saw a successful 15th season under the administration of program director Nancy Smigiel. Eighteen teams averaging 7 players each compete in weekly matches on courts at the Lisbon Central School. The season began in September with a skills and drills clinic and wrapped up in May with a League Awards Banquet. This program was entirely financially self-sufficient with all program expenses covered by the fees that the participants pay. The Recreation Committee partnered with the LCS physical education

department, sharing the equipment so youngsters interested in playing volleyball have the opportunity to learn.

During the month of October, a cross country fun run series was held each Sunday morning. The event consisted of a 1/2 mile run for small children, a mile run for older kids, and a 5K run for adults. The program was run free of charge and conducted voluntarily by Chad Johnson. Ribbons were awarded to all youth participants and medals given to top performers at the end of the series.

The youth basketball program was run by Chris Fabry and grew once again. Total participation increased from 57 to 92 participants. There were four leagues all together; 20 participants in the pre-school/Kindergarten clinic, 21 in the 1st/2nd grade league, 27 in the 3rd/4th grade league, and 24 in the 5th/6th grade league. Teams practiced on Monday and Wednesday nights and played games on Saturday mornings. The league ran from November to early March. Each of the older divisions had 3 to 4 teams per league competing against teams from Canterbury, Preston, and Franklin.

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

On March 31st, the Recreation Committee sponsored the annual Easter Egg Hunt which was well attended with well over 100 participants. Children were organized into three age groups: under 4, 4 to 6-year old, 7 to 10-year old. Recreation Committee members stuffed eggs and set up the various Egg Hunt age group areas. The Recreation Committee is considering expanding the event by working in conjunction with other organizations in town.

The Recreation Committee is seeking new members to fill vacancies that have recently opened.



Trail Committee

1 NEWENT ROAD
LISBON, CT 06351

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

Following a successful grant application in the amount of \$2060 to The Last Green Valley, the Trail Committee worked on trail design and clearance to include obtaining Conservation Commission approval of trails crossing through wetlands and over streams. Additionally, in conjunction with the Lisbon Historical Society, the committee designed, contracted the production of and installed 5 four foot by 3 foot-wide signs at various locations on the property. Signage described the history of the Burnham Tavern and the surrounding lands as well as providing a map of the approximately 1.5 mile trail network. Funds from The Last Green Valley were also used to mark the trail network. In total, over 200 volunteer hours were dedicated to opening the Burnham Tavern Trail which will officially open during The Last Green Valley's Walktober 2018.

The committee's focus moving forward will be on developing and installing trails at the town-owned 78 Kendall Road property with a continued desire to involve as many townspeople as possible in its efforts.

Respectfully submitted,

Joseph P. Lewerk, Chairman

MARK A. ROBINSON
CHIEF
860-234-7134



JOHN CINGRANELLI
DEPUTY CHIEF
860-501-8417

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

January 28, 2019

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

Re: Annual Report 2017-2018

Dear Board Members:

During the fiscal year 2017-2018, the Lisbon Fire Department and Ambulance responded to a total of 642 calls for assistance.

Call Volume Break Down

Fire	22	Hazardous Condition	15	Service Call	8
Rescue & EMS	484	Good Intent	30	False Alarm	34
Motor Vehicle Accident	40	Vehicle fire	2	Brush Fire	7

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

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

Respectfully submitted,

Mark A Robinson
Chief



TOWN OF LISBON

INCORPORATED 1786

OFFICE OF THE FIRE MARSHAL

1 NEWENT ROAD
LISBON, CONN. 06351-2926
TEL. (860) 376-3400
FAX. (860) 376-6545



January 8, 2019

Board of Finance
Town of Lisbon
Lisbon, CT.

SUBJECT: Annual Report

Dear Board Members,

During this fiscal year, the Fire Marshal's Office focused on conducting annual inspections to determine compliance with Connecticut State Fire Safety Codes. Additionally, several fire investigations were completed to ascertain origin and cause.

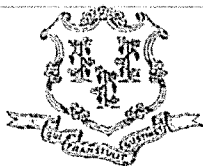
The following statistics represent the time period July, 2017-June, 2018:

Inspections	35
Follow-up Inspections	49
Abatements Issued	3
Plan Reviews	10
Fire Investigations	6
Liquor Permits	3
Blasting Permits	1
Burn Permits	15
Open Burning Complaints	0
Misc. Code Complaints	2
Misc. Code Questions	1
Woodstove Inspections	0

Respectfully submitted,

Rick Hamel, Fire Marshal

STATE OF CONNECTICUT



Accredited Since 1988

DEPARTMENT OF PUBLIC SAFETY DIVISION OF STATE POLICE LISBON RESIDENT TROOPER

2018 Annual Report

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

Total Calls for Service: 3,847/ 781

Total Accidents Investigated: 97/ 15

Total Criminal Investigations: 146/ 34

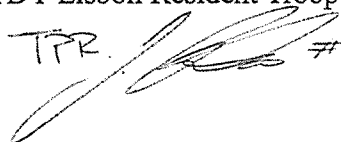
DUI Arrests: 19/6

Total Motor Vehicle Citations: 1,063/ 245

Total Motor Vehicle Stops: 1,365/ 252

The Lisbon Resident Trooper's Office is committed to the public safety of this community. During the course of 2018, the Lisbon Resident Trooper's office participated in several noteworthy events including; teaching several D.A.R.E classes, traffic control for local road races, National Center for Missing and Exploited Children event with Kohl's, Toys for Tots Toy Drive, assisted Jewett City Resident Trooper for toy drive benefiting more than 20 Lisbon families, Fall Festival Community Policing, Lisbon Central School Safety and Security/ Emergency Plans Board member, Lock Down and Evacuation drills, Halloween Trick or Trunk Event, continued communications with local businesses, wrote and facilitated a CT Department of Transportation Comprehensive DUI Grant, Addressed Sixth, Seventh, and Eighth Grade students about Internet Safety, created and have utilized the Lisbon Resident Trooper Facebook page to connect with the public, and worked closely with School Administration. Every effort was made to make sure Pistol Permits were correctly processed to allow for quick turnaround for approval.

TDY Lisbon Resident Trooper TPR. Joseph Adams #1360

TPR.  #1360

1 Newent Road
Lisbon, CT 06351
Tel. (860) 376-8868

An Equal Opportunity Employer



Annual Report – Fiscal Year 2017/2018

The Lisbon Farmers Market Committee is happy to report that the Lisbon Farmers' Market 2018 season was successful. The Committee applied for, and was granted, regulation text amendments with the Town that will help with current and future operations of the market. We also welcomed Amanda Moreno as our new Market Manager, to manage things at the end of the 2018 season.

Vendors

2018 Lisbon Vendors included:

Grants Berry Patch (fruits and vegetables); Johnny Bgood Garlic (garlic and cut flowers); and Pottery by Shea (pottery).

Other local and regional vendors included:

Swampy Acres Farm (meats and poultry); B-Z-B Farm (meats, poultry and specialty items); Meadow Stone Farm Artisan Cheeses; Freak of Nature (handmade soaps); Brewster's Orchard; Donna Landry Pet Snacks; Elaine 'N' The Sun (crafts); For His Glory Signs; Kettlepot Soap; Trish's Jewelry & Gifts; and Ray's Catering Food Tent.

Community vendors included: Lisbon Senior Center; Hay-Burr Inn Equine Rescue; EcoFairCT; Slater Library; St. Mary's Food Pantry; The Boy Scouts of America; 06351 ROCKS!!! and AAA Driving School. Free activities, such as rock painting and face painting were offered each week under the Children's Activity Tent.

Of the 22 vendors, 7 applied as full time vendors.

Acoustic music was provided for us on numerous occasions by Quiet Corner Fiddlers; Jim Taylor; and Kala Farnham.

Our "Market Pal" program continued this year. We had one generous sponsor, Renewal by Anderson. The Lisbon Fire Department was once again instrumental in helping us organize one of the biggest nights of the market, our Autumn Bonfires event in September. We had a beautiful bonfire, free s'mores, roasted marshmallows and music. The Fall Festival Committee generously allowed us the use of the Community Center (the "barn") and its surrounding area as our market location, as in years past.

Revenues/Expenditures

2017/2018 - \$1,120.00 in Revenues, \$995.37 in Expenses

2018/2019 (up to December 31, 2018) - \$762.00 in Revenues, \$1,239.51 in Expenses

Our market is held late June through late September at Lisbon Meadows Park – Thursdays from 3:30 PM – 6:30 PM.

We are currently accepting applications from vendors for the 2019 season. Do you have an idea, skill or a product that would benefit this Connecticut Grown market? Let us know! Lisbon Farmers' Market meetings are held at Lisbon Town Hall every third Thursday of the month, at 7:00 PM. Our contact information is on our website (www.lisbonfarmersmarket.com), or you can follow us on Facebook and Instagram (lisbonfarmersmarket), or email us directly with comments or questions lisbonfarmersmarket@gmail.com.

The 2017 Lisbon Farmers Market Committee consisted of the following volunteer members: Sharon Gabiga (Chairman); Elaine Joseph (Secretary); Terry Joseph; Adeline Jernstrom; John Algieri.

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

Respectfully Submitted,

Elaine Joseph, LFM Committee Secretary

Lisbon Historical Society
Annual Report
2017-2018

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.

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

As a member of the Last Green Valley, the Lisbon Historical Society sponsored a Walktober event, *Burnham Tavern: A Restoration in Progress*. Guests were ushered through the first floor kitchen, parlors, and tavern bar, the second floor ballroom, and walk up attic. Each floor had a docent narrating the unique features of the tavern such as the recently uncovered kitchen fireplace, 18th century stenciling, and the barrel-vaulted ceiling. Ninety people signed up for the tour and 83 attended. Every member of the Historical Society participated in the planning and execution of this event. Additionally, Lisbon's Trails Committee Chairman, Joe Lewerk was on hand to promote the proposed recreational trail around the property's cornfields linking the east of Route 169, Strawberry Fields neighborhood to the Kimball, Rex, and Sullivan Road neighborhoods, which are west of Route 169.

The annual Holiday Open House raised funds through a bake goods and greenery sale. LHS members demonstrated open-hearth cooking and provided museum tours.

Approximately 40 Lisbon Central School fifth graders, teachers, and parent chaperones made the annual spring field trip to the John Bishop House for a day of interactive learning and hands-on open hearth cooking. Collaboration with Lisbon Central School's Service Learning program is ongoing. This year's recipient of the Lisbon Historical Society sponsored *Excellence in History* award, upon recommendation by Lisbon Central School was graduating eighth grader, Paige Raposo.

Restoration and Renovation

Burnham Tavern - Burnham Tavern, an archeological and restoration site, is not yet open to the public. Activities included the removal of a collapsed hay barn and recovery of 1800s to early 1900s artifacts. The building was structurally supported while restoration carpenters replaced the entire sill and numerous floor joists, and half of the girt supporting the first and second floor on the east side of the structure.

The site is located on the National Scenic Byway, and is easily accessible by the public traveling Route 169 and it links two residential neighborhoods. Listing on the National Register of Historic Places is imminent. The Lisbon Historical Society wrote a letter of support to the Last Green Valley on behalf of the Lisbon Trails Committee's grant application for the creation of recreational trails on the northern area of the Burnham Tavern property.

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

Anshei Israel Synagogue – Routine maintenance is ongoing. The entire structure was scraped, sanded, and painted. Research determined the correct color blue for Star of David located on the front of the building. The synagogue is listed on the National Register of Historic Places.

Revenue

Funding sources largely include can and bottle donations, which amounted to \$5,428.82 and two Town preservation grants as well as revenue raised from the annual Holiday Open House, bake sales, member in-kind services, individual donations, and 1,927.5 volunteer hours.

The 1772 Foundation, in partnership with the Connecticut Trust, awarded Lisbon Historical Society a matching grant of \$10,000 for repairs to the foundation, sills, and framing at the Burnham Tavern.

The bottle and can redemption program generated over \$5,996. The Historical Society sorts, bags and transports over 119,920 containers of plastic, glass, and cans annually.

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 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*, available at the Bishop House and the town hall.

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

Respectfully submitted,

Kim Sperry
Secretary

January 21, 2019

Board of Finance
Lisbon Town Hall
1 Newent Rd.
Lisbon, CT 06351

The position of Lisbon Town Historian is to be a member of the Lisbon Historical Society and to preserve the documented history from the past, document current history for posterity, and to assist in the history of any relics and obtain as much information as possible through various means of research such as Town Hall records, Norwich City Hall records, search internet sites, historical libraries, and documented family histories. The search at Norwich City Hall if for any records prior to 1786 when Lisbon was previously known as Newent.

The photographic documentation comes in the forms of residents who are willing to share photos with us or to take the photo and have a reprint done and we keep the photos to make a timeline of events and people as well as document what still exists in our community or what might have been there or who lived there in the past.

The Lisbon Historical Society is working to have a air tight temperature controlled room to keep items, photos, documents, and treasures of Lisbon in to preserve for future generation to look to the past as well as the present looking back to the early years of Newent and Lisbon.

When we are ready we will ask for donations of family history to add to our collection. It always helps to network with other town historians, especially the towns that were once part of Lisbon, Sprague, Versailles, Hanover. For this fiscal year some research has been done on Lisbon, members of the past community, teaching others the history of Lisbon, and doing research on the computer with ancestry and genealogy sites looking for new leads of information.

Marcia Shafer
Lisbon Town Historian

Lisbon Planning and Zoning Commission
Annual Report
July 1, 2017 – June 30, 2018

During the course of the fiscal year annual report period, the Planning and Zoning Commission held twelve (12) regularly scheduled meetings, two (2) special meetings, and six (6) public hearings. The Commission received and acted on four (4) zoning permit applications, one (1) special permit application and two (2) text amendments and one (1) sub-division application. The Commission also developed one (1) Town Ordinance amendment.

The Commission received and responded to eight (8) referrals from neighboring municipalities and two (2) from the town of Lisbon regarding recreational facilities, municipal space needs, and one (1) from the town of Lisbon Zoning Board of Appeals.

Town Planner, Michael J. Murphy, AICP, Consulting Planner-SCCOG commenced development of the Town of Lisbon's MS4 storm water regulatory program. Federal regulations require the owners/operators of regulated municipal separate storm sewer systems (MS4s) to develop, implement, and enforce a storm water management program (SWMP). The Planner revised the special permit application consistent with the revised zoning permit application and continued work on the Route 12 Commercial Corridor Zoning Project.

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

The Planning and Zoning Commission is a member of the Connecticut Federation of Planning and Zoning Agencies. The town's Regional Planning Commission representative is Commissioner and Vice Chair Ronald Giroux.

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 REGISTRAR OF VOTERS

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

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

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

Lisbon has two polling places: Lisbon Town Hall with 1020 voters and the Lisbon Senior Center with 1884 voters. There were 264 new voters added in 2018. We have combined the referendum to use one polling place.

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

Respectfully,

Mary Grant, Republican Registrar of

Voters Stephen Barrett, Democratic

Registrar of Voters

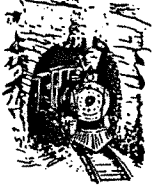
**Tree Warden
Annual Report 2017 – 2018**

The past year has been hard on our region's trees. For the last three or more years, the gypsy moths have been relentless, consistently defoliating the trees each year. Coupled with drought and other insects, this has killed a large number of our region's trees. The state has been aggressive in taking down huge numbers of dead trees on state roads, and the Town has done its part to remove dangerous trees on town property on the secondary roads. Although our town has not, as of yet, seen an infestation of the Emerald Ash Borer, it is at our borders in neighboring towns and is becoming a growing concern.

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



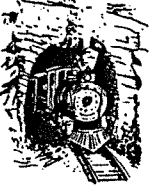
Water Pollution Control Authority

1 NEWENT ROAD
LISBON, CT 06351

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

During this fiscal year, the Authority renewed its contract with Norwich Public Utilities for 24-hour per day system monitoring and maintenance services for the Lisbon Sewer District pump station. The Authority additionally contracted with The Jewett City Water Company to handle the billing of commercial customers in the Lisbon Sewer District on Route 12/River Road. Since the creation of the Lisbon Sewer District, this billing service had been handled by the Jewett City Department of Public Utilities Sewer Division. The Authority also acted on the annual Lisbon Sewer District grease trap inspection report performed under contract by Towne Engineering to ensure issues identified in the report that were a hindrance to the system were addressed by sewer system customers. The Authority also assumed oversight from the Town of Lisbon of payments by Lisbon customers to the Sprague Water & Sewer Authority. Finally, the Authority, on the advice of the Town Treasurer and in consultation with legal counsel, authorized the movement of a portion of the Enterprise Fund to an interest bearing account to bolster funds available for system maintenance and potential upgrades. Throughout the year the Authority continued to optimize the efficient and economical operation of its assets for the benefit of the Town of Lisbon, its businesses and residents.

Respectfully submitted,
Joseph P. Lewerk, Secretary



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 eleven regular meetings, one special meeting, and three field walks. It received and accepted for review six applications and granted five permits (164 Preston Allen Rd., 108 Kimball Rd., 19 South Burnham Highway, 283 North Burnham Highway, 31 Strawberry St.) and one agent approval (140 Kinsman Hill Rd.). There was one determination of non-regulated activity (permitted use as of right) for the construction of recreational trails by the Trail Committee at 223 North Burnham Highway.

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

Respectfully submitted,
Joseph P. Lewerk, Commission Vice Chairman

THE FOLLOWING IS A LIST OF NAMES WHICH WERE TRANSFERRED TO THE SUSPENSE LIST ON MAY 23, 2018 PER SECTION 12-165 OF THE CONNECTICUT GENERAL STATUTES. AS OF JANUARY 6, 2019, THESE ACCOUNTS REMAIN UNPAID:

2014 PERSONAL PROPERTY

BILL NUMBER	NAME	BALANCE DUE
2014-02-0040047	CARR MARIA	121.88
2014-02-0040102	ELEMENT FINANCIAL CORP	302.84
2014-02-0040116	FRECHETTE BARBARA	130.26
2014-02-0040119	GARITY JOHN	256.82
2014-02-0040241	PEASLEE RICHARD	68.25
2014-02-0040265	RICHARD JEFF	319.42
2014-02-0040276	ROHAN JAMES	67.37
2014-02-0040317	STANLEY MARYANN	109.20
		1376.04

2014 MOTOR VEHICLES

BILL NUMBER	NAME	BALANCE DUE
2014-03-0050050	ALICE LAWREN A	53.24
2014-03-0050095	ANDERSON CONNIE L	62.79
2014-03-0050545	BOWKER JOHN W 4TH	210.60
2014-03-0050548	BRADSHAW SAMUEL R JR	264.23
2014-03-0050549	BRADSHAW SAMUEL R JR COM	37.95
2014-03-0050623	BROWN JOHN C	48.75
2014-03-0050624	BROWN JOHN C	70.01
2014-03-0050730	CAREY PATRICK	46.22
2014-03-0050731	CAREY PATRICK J	4.68
2014-03-0050732	CAREY PATRICK J OR	162.63
2014-03-0050735	CARMACK SEAN P	167.90
2014-03-0050759	CARUSO ANTHONY J	121.10
2014-03-0050760	CARUSO ANTHONY J	36.47
2014-03-0050761	CARUSO ANTHONY J	104.72
2014-03-0050766	CASSIDY KENNETH J SR	9.75
2014-03-0051052	DAVIDSON JOHNATHAN	105.69
2014-03-0051103	DEMAY REGINA E	46.02
2014-03-0051169	DORAN JOSEPH T III	136.50
2014-03-0051170	DORAN JOSEPH T III	69.23
2014-03-0051422	FRECHETTE BARBARA J	59.09
2014-03-0051423	FRECHETTE BARBARA J	124.61
2014-03-0051451	FULLER MITCHELL G	145.67
2014-03-0051626	GRABOWSKI JENETTE M	128.70
2014-03-0051784	HARRISON KANE M	91.85
2014-03-0051785	HARRISON KANE M OR	272.81
2014-03-0051823	HEON DENISE M	138.26
2014-03-0051946	HUERTAS GABRIEL	55.77
2014-03-0051993	ITCHKAWICH ETHAN TANNER	54.60
2014-03-0052030	JANCO KENNETH R	43.29

2014-03-0052132	JOLLY JENNIFER A	65.13
2014-03-0052133	JOLLY JENNIFER A	90.09
2014-03-0052134	JOLLY JENNIFER A	86.97
2014-03-0052182	KATES ROBERT 3RD	49.14
2014-03-0052512	LECOMPTE LOUISIA M	77.42
2014-03-0052514	LEE JOSEPH A	366.80
2014-03-0052520	LEE STOUT MEENA L	221.52
2014-03-0052896	MELILLO ANTHONY J	253.89
2014-03-0053028	MORGRAGE DANIELLE L	92.82
2014-03-0053140	NYACK EDWARD C 3RD	175.50
2014-03-0053388	PETERSON LISA W	72.74
2014-03-0053423	PLANTE KEITHE R	40.95
2014-03-0053480	POUNCH JENNIFER AB	121.88
2014-03-0053482	POWELL GERALDINE A	29.45
2014-03-0053696	ROBILLARD RICKY A JR	97.89
2014-03-0053876	SAWICKI STANLEY W	53.63
2014-03-0053948	SENUTA ANDREW T	43.68
2014-03-0054140	STEFENSKI MICHAEL J	35.76
2014-03-0054254	TACKLING MICHELLE A	66.89
2014-03-0054255	TACKLING MICHELLE A	73.32
		4988.60

2014 MOTOR VEHICLE SUPPLEMENTAL

BILL NUMBER	NAME	BALANCE DUE
2014-04-0080004	ADAMS JON M	25.94
2014-04-0080005	ALICE LAWREN A	125.39
2014-04-0080019	ANDERSON CONNIE L	42.32
2014-04-0080100	BROUWER ERINN A	68.29
2014-04-0080177	DELGADO FERNANDO LUIS 2ND	31.14
2014-04-0080215	FENNER ERIC W	27.05
2014-04-0080281	HARRISON KANE M	221.23
2014-04-0080478	MUHS JORDAN M	44.67
2014-04-0080491	OCONELL JAMES R	29.21
2014-04-0080492	OCONELL JAMES R	37.56
2014-04-0080572	ROBERTS TRAVIS J	209.22
2014-04-0080609	SENUTA ANDREW T	82.25
2014-04-0080618	SHUMAKER MARK S	104.70
2014-04-0080719	WOODMANSEE JAMES M	13.40
		1062.37

Annual Financial Report
of the
Town of Lisbon, Connecticut
For the Year Ended June 30, 2018

Town of Lisbon, Connecticut

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Town of Lisbon, Connecticut

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Financial Section

Independent Auditors' Report

**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, Connecticut ("Town") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town'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.

Auditors' 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 of 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 auditors' 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 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 as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 Management's Discussion and Analysis, budgetary comparison information, other post-employment benefit and pension information 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplemental schedules and trend information are presented for purposes of additional analysis and are not a required part of the financial statements.

The 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The trend information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2019 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
January 28, 2019

Our discussion and analysis of Town of Lisbon, Connecticut's ("Town") financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the Town's financial statements, which begin with Exhibit A.

FINANCIAL HIGHLIGHTS

- The Town enjoys an overall net position of \$16,246,852 which has increased \$1,023,412 from last year. Unrestricted net position was \$2,564,847. This is the Town's equity on an accrual basis and is a measure of the Town's long-term health.
- The Town's funds report a total fund balance of \$5,075,191 which has increased \$557,053 from last year. This is the Town's equity on a modified accrual basis and is a measure of the Town's ability to pay its obligations.
- The Town's general fund reports an unassigned fund balance of \$1,973,232. This is 13.5% of the Town's annual revenues. This provides approximately 1.5 months of working capital to the Town.
- During the fiscal year, the Town implemented GASB 75 related to other post-employment benefits ("OPEB"). GASB 75 requires that the net OPEB liability be recorded on the government-wide financial statements. The result of implementing GASB 75 was a prior period adjustment as of July 1, 2017 to record the net OPEB liability of \$1,500,590 and remove the net OPEB obligation previously recorded of \$1,327,929.
- 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. The level of funding after that, through a tax assessment or another contract, is uncertain.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Exhibits A and B) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start with Exhibit C. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the Town.

Reporting the Town as a Whole

Our analysis of the Town as a whole begins with Exhibit A. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's *net position* and changes in them. You can think of the Town's net position—the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources—as one way to measure the Town's financial health, or *financial position*. Over time, *increases or decreases* in the Town's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the *overall health* of the Town.

In the Statement of Net Position and the Statement of Activities, the Town shows the following activity:

- **Governmental activities**—The Town's basic services are reported here, including the education, public works, and general administration. Property taxes, state and federal grants and local revenues such as fees and licenses finance most of these activities.
- **Business-type activities**—The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides.

Reporting the Town's Most Significant Funds

Our analysis of the Town's major funds begins in the section titled "The Town's Funds." The fund financial statements begin with Exhibit C and provide detailed information about the most significant funds—not the Town as a whole. Some funds are required to be established by State law, however, the Board of Finance establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's two kinds of funds—*governmental* and *proprietary*—use different accounting approaches.

- **Governmental funds**—The Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified* accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.
- **Proprietary funds**—When the Town charges customers for the services it provides—whether to outside customers or to other units of the Town—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The Town as a Fiduciary

The Town is the *fiduciary*, for the activity funds at the school. These funds do not belong to the Town. The Town's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position in Exhibits I and J. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE TOWN AS A WHOLE

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2):

	Governmental Activities		Business-Type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
	<i>(as restated)</i>				<i>(as restated)</i>	
ASSETS						
Cash and investments	\$ 5,256,470	\$ 4,946,957	\$ 213,117	\$ 172,046	\$ 5,469,587	\$ 5,119,003
Receivables	578,984	554,620	10,345	67,157	589,329	621,777
Other	5,638	8,437	-	-	5,638	8,437
Capital assets						
Nondepreciable	3,111,698	2,604,586	-	-	3,111,698	2,604,586
Depreciable	9,638,387	9,817,850	2,579,005	2,683,665	12,217,392	12,501,515
	18,591,177	17,932,450	2,802,467	2,922,868	21,393,644	20,855,318
DEFERRED OUTFLOWS OF RESOURCES						
Related to pensions and OPEB	152,546	221,786	-	-	152,546	221,786
LIABILITIES						
Payables, accruals and other liabilities	553,670	657,742	59,537	62,898	613,207	720,640
Non-current liabilities						
Due within one year	1,082,634	1,130,221	-	-	1,082,634	1,130,221
Due in more than one year	3,548,975	3,948,579	-	-	3,548,975	3,948,579
	5,185,279	5,736,542	59,537	62,898	5,244,816	5,799,440
DEFERRED INFLOWS OF RESOURCES						
Related to pensions and OPEB	54,522	54,224	-	-	54,522	54,224
NET POSITION						
Net investment in capital assets	10,752,473	10,010,141	2,579,005	2,683,665	13,331,478	12,693,806
Restricted	350,527	702,830	-	-	350,527	702,830
Unrestricted	2,400,922	1,650,499	163,925	176,305	2,564,847	1,826,804
	\$ 13,503,922	\$ 12,363,470	\$ 2,742,930	\$ 2,859,970	\$ 16,246,852	\$ 15,223,440

The Town increased its combined net position by \$1,023,412. By far the largest portion of net position of the Town reflects its net investment in capital assets (e.g. land, buildings and systems, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens, consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is report net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the Town's net position, \$350,527, represents resources that are subject to external restrictions on how they may be used. These are described further in note 3F to the financial statements. The remaining balance of unrestricted net position is \$2,400,922.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2017	2016	2017	2016
Revenues						
Program revenues:						
Charges for services	\$ 479,067	\$ 426,337	\$ 111,416	\$ 116,560	\$ 590,483	\$ 542,897
Operating grants and contributions	5,445,988	5,878,161	-	-	5,445,988	5,878,161
Capital grants and contributions	567,824	76,002	-	-	567,824	76,002
General revenues:						
Property taxes	9,342,508	9,067,414	-	-	9,342,508	9,067,414
Grants and contributions	173,124	218,080	-	-	173,124	218,080
Interest income	82,028	25,053	187	-	82,215	25,053
Other general revenues	-	99,385	-	-	-	99,385
Total revenues	16,090,539	15,790,432	111,603	116,560	16,202,142	15,906,992
Program expenses						
General government	1,584,955	1,586,039	-	-	1,584,955	1,586,039
Fire protection	201,670	186,645	-	-	201,670	186,645
Police protection	197,399	233,648	-	-	197,399	233,648
Highways and streets	740,974	493,595	-	-	740,974	493,595
Seniors and senior center	143,468	127,859	-	-	143,468	127,859
Recreation	87,340	96,269	-	-	87,340	96,269
Education	11,917,733	12,127,714	-	-	11,917,733	12,127,714
Interest expense	76,548	45,518	-	-	76,548	45,518
Water Pollution Control Authority	-	-	228,643	226,033	228,643	226,033
Total expenses	14,950,087	14,897,287	228,643	226,033	15,178,730	15,123,320
Increase (decrease) in net position	1,140,452	893,145	(117,040)	(109,473)	1,023,412	783,672
Beginning net position (as restated)	12,363,470	11,642,986	2,859,970	2,969,443	15,223,440	14,612,429
Restatement of net position	-	(172,661)	-	-	-	(172,661)
Ending net position	\$ 13,503,922	\$ 12,363,470	\$ 2,742,930	\$ 2,859,970	\$ 16,246,852	\$ 15,223,440

Governmental Activities

- Operating grants and contributions decreased by \$432,173. This was mainly due to the Education Cost Sharing grant decreasing \$456,366 from the prior year, offset by the Small Cities grant increasing \$138,110 from the prior year.

- Capital grants and contributions increased by \$491,822. This was mainly due to the STEAP grant of \$382,670 which was expended in 2018.
- Property tax revenues increased by \$275,094. With State revenues decreasing, the Town had to increase the property tax rate 2 mills from 20.5 mills to 22.5 mills. This is the only significant source of funding the Town can increase to offset decreasing funding from the State. And, with the State's financial condition being so weak and a potential loss of significant revenues from the trash to energy plant, property tax rates are expected to continue to increase.
- Highways and streets expenses increased by \$247,379 due to more expenses not being capitalizable during the year.
- The Board of Education budget did not change from the prior year, however, actual expenses were \$166,383 lower than the prior year.

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 water 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 business 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. This year depreciation totaled \$104,660 and the decrease in net position totaled \$117,040.

THE TOWN'S FUNDS

The Town's funds (Exhibit C and D) reported a total fund balance of \$5,075,191. This is a \$557,053 increase from last year. The most significant changes are:

- The Capital Nonrecurring Fund's fund balance increased by \$351,673 from last year. It grew from \$1,653,779 to \$2,005,452. Much of this was due to the transfer in of \$626,216 from the General Fund for the LCS oil tank removal and various other projects that will be completed in fiscal year 2019.
- The Town Aid Road Fund's fund balance increased by \$52,009. The state grant revenue of \$179,776 was offset by lower than normal winter storm costs.
- Finally, the Other Governmental Funds' fund balance increased by \$152,421 primarily due to additional funding for the small cities block grant. The majority of the funds from this grant are loaned to homeowners, rather than expended by the Town. The loan receivable balance increased by \$200,225 during the year for new loans.

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:

Table 3
General Fund - Budget Summary

	Final Budget	Actual	Variance
Revenues			
Property taxes	\$ 8,438,802	\$ 8,454,127	\$ 15,325
Intergovernmental	3,257,020	3,133,656	(123,364)
Local revenues	1,329,148	1,412,021	82,873
Total Revenues	13,024,970	12,999,804	(25,166)
Expenditures			
Selectmen	2,735,513	2,610,635	124,878
Education	9,483,998	9,310,166	173,832
Capital outlay	23,000	20,000	3,000
Debt service	432,287	431,927	360
Total Expenditures	12,674,798	12,372,728	302,070
Other Financing Sources (Uses)			
Appropriation from fund balance	435,365	-	435,365
Transfers	(626,216)	(626,216)	-
Total Other Financing Sources (Uses)	(190,851)	(626,216)	435,365
Increase (Decrease) in Fund Balance	\$ 159,321	\$ 860	\$ (158,461)

The original approved budget projected a surplus of \$159,321. The Town approved additional appropriations from fund balance of \$435,365 during the year. The largest additional appropriation was for \$386,216 to transfer to the capital nonrecurring fund to finance the LCS oil tank removal project.

Actual revenues came in \$25,166 below budget. Much of this is due to lower than expected revenues from the State (under budget by \$123,364), offset by higher than expected building permits (above budget by \$43,050) and interest on investments (above budget by \$41,231).

Expenditures were \$302,070 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 \$51,964 under budget and education expenditures which were \$173,832 under budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of this year, the Town had \$12,750,085 invested in governmental activities capital assets. This amount represents a net increase (including additions and deductions) of \$327,649 from last year.

During the year, the Town added \$924,944 in capital assets including:

- Construction in progress for
 - LCS oil tank replacement of \$116,565
 - Strawberry Fields sidewalk improvements of \$382,670
- Fire alarm panel for the school of \$49,954
- A dump truck of \$182,106

The Town's business-type capital assets totaled \$2,579,005. This amount represents a net decrease of \$104,660 from last year. The entire decrease is due to depreciation expense.

More details on capital assets can be found in note 3D to the financial statements.

Debt

At year end, the Town had \$1,915,000 in bonds and long-term bond anticipation notes outstanding. This is a decrease of \$380,000 from last year. Of the debt, \$1,195,000 is permanently financed general obligation bonds. These are being paid over 10 years with a final payment due July 15, 2022. In addition, the Town owes a one-year bond anticipation note in the amount of \$720,000. The Town has been paying off \$45,000 of this each year and refinancing the remainder. This can be done for a maximum of 10 years.

The Town's general obligation bond rating continues to carry an Aa3 rating. In September 2018 Moody's removed the negative outlook assigned to the Town in October 2017. This reflects the Town's stable financial position with sound liquidity and reserves.

More detailed information about the Town's long-term liabilities is presented in note 3E to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town's elected and appointed officials considered many factors when setting the fiscal-year 2019 budget and tax rates.

The unemployment rate for the State is currently 4.0%, which is a decrease from a rate of 4.5% a year ago. The Town's unemployment rate was 3.1%.

In addition, 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. This equates to approximately 10% of the Town's General Fund revenue. This agreement is due to expire in December 2020. The future tax revenues from the plant are uncertain.

Each of these factors will have a significant continuing effect on the Town's financial condition and the Boards of Selectmen and Finance are preparing a plan of action for the worst case scenarios.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Lisbon Board of Finance at 1 Newent Road Lisbon, CT 06351.

Basic Financial Statements

Town of Lisbon, Connecticut

Statement of Net Position
June 30, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 113,679	\$ 62,930	\$ 176,609
Restricted cash	131,822	-	131,822
Investments	5,010,969	150,187	5,161,156
Receivables (net)			
Taxes	190,250	-	190,250
Special assessments	65,336	-	65,336
Accounts	6,260	-	6,260
Usage	-	10,345	10,345
Loans	297,442	-	297,442
Intergovernmental	19,696	-	19,696
Other	5,638	-	5,638
Capital assets			
Nondepreciable	3,111,698	-	3,111,698
Depreciable, net of accumulated depreciation	9,638,387	2,579,005	12,217,392
Total Assets	<u>18,591,177</u>	<u>2,802,467</u>	<u>21,393,644</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	<u>152,546</u>	<u>-</u>	<u>152,546</u>
LIABILITIES			
Accounts payable	272,790	59,537	332,327
Accrued payroll and related liabilities	14,773	-	14,773
Unearned revenues	90,930	-	90,930
Performance bonds	131,822	-	131,822
Accrued interest payable	43,355	-	43,355
Non-current liabilities			
Due within one year	1,082,634	-	1,082,634
Due in more than one year	<u>3,548,975</u>	<u>-</u>	<u>3,548,975</u>
Total Liabilities	<u>5,185,279</u>	<u>59,537</u>	<u>5,244,816</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related	842	-	842
OPEB related	<u>53,680</u>	<u>-</u>	<u>53,680</u>
Total Deferred Inflows of Resources	<u>54,522</u>	<u>-</u>	<u>54,522</u>
NET POSITION			
Net investment in capital assets	10,752,473	2,579,005	13,331,478
Restricted			
Nonexpendable	1,100	-	1,100
Small cities loans	297,442	-	297,442
General government	6,676	-	6,676
Town clerk documents	42,625	-	42,625
Cemetery care and maintenance	2,684	-	2,684
Unrestricted	<u>2,400,922</u>	<u>163,925</u>	<u>2,564,847</u>
Total Net Position	<u>\$ 13,503,922</u>	<u>\$ 2,742,930</u>	<u>\$ 16,246,852</u>

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

Town of Lisbon, Connecticut

Statement of Activities
For the Year Ended June 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 1,584,955	\$ 184,267	\$ 298,449	\$ 3,683	\$ (1,098,556)		\$ (1,098,556)
Fire protection	201,670	-	-	-	(201,670)		(201,670)
Police protection	197,399	-	-	-	(197,399)		(197,399)
Highways and streets	740,974	-	-	564,141	(176,833)		(176,833)
Seniors and senior center	143,468	30,303	266	-	(112,899)		(112,899)
Recreation	87,340	33,540	-	-	(53,800)		(53,800)
Education	11,917,733	230,957	5,147,273	-	(6,539,503)		(6,539,503)
Interest expense	76,548	-	-	-	(76,548)		(76,548)
Total Governmental Activities	14,950,087	479,067	5,445,988	567,824	(8,457,208)		(8,457,208)
Business-type Activities							
Water Pollution Control Authority	228,643	111,416	-	-		(117,227)	(117,227)
Total Government	\$ 15,178,730	\$ 590,483	\$ 5,445,988	\$ 567,824		(117,227)	(8,574,435)
General Revenues							
Property taxes, payments in lieu of taxes, interest and liens					9,342,508	-	9,342,508
Grants and contributions not restricted to specific programs					173,124	-	173,124
Interest Income					82,028	187	82,215
Total General Revenues					9,597,660	187	9,597,847
Change in Net Position					1,140,452	(117,040)	1,023,412
Net Position - July 1, 2017 (as restated)					12,363,470	2,859,970	15,223,440
Net Position - June 30, 2018					\$ 13,503,922	\$ 2,742,930	\$ 16,246,852

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

Town of Lisbon, Connecticut

Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Capital Nonrecurring Fund	Town Aid Roads Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 20,659	\$ 2,825	\$ 999	\$ 89,196	\$ 113,679
Investments	2,464,612	2,038,906	499,645	7,806	5,010,969
Restricted cash	131,822	-	-	-	131,822
Receivables (net)					
Property taxes	190,250	-	-	-	190,250
Sewer assessments	65,336	-	-	-	65,336
Accounts	272	-	-	5,988	6,260
Loans	-	-	-	297,442	297,442
Intergovernmental	-	-	-	19,696	19,696
Due from other funds	13,444	5,951	-	10,027	29,422
Other	-	-	-	5,638	5,638
Total Assets	<u>\$2,886,395</u>	<u>\$2,047,682</u>	<u>\$500,644</u>	<u>\$ 435,793</u>	<u>\$ 5,870,514</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 262,421	\$ 9,500	\$ -	\$ 869	\$ 272,790
Accrued payroll and related liabilities	14,497	-	-	276	14,773
Unearned revenues	-	32,730	-	58,200	90,930
Due to other funds	10,027	-	-	19,395	29,422
Performance bonds	131,822	-	-	-	131,822
Total Liabilities	<u>418,767</u>	<u>42,230</u>	<u>-</u>	<u>78,740</u>	<u>539,737</u>
Deferred inflows of resources					
Unavailable revenues - Property taxes and assessments	<u>255,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,586</u>
Fund Balances					
Nonspendable	-	-	-	298,542	298,542
Restricted	42,625	-	-	9,360	51,985
Committed	-	1,868,572	-	-	1,868,572
Assigned	196,185	136,880	500,644	49,151	882,860
Unassigned	<u>1,973,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,973,232</u>
Total Fund Balances	<u>2,212,042</u>	<u>2,005,452</u>	<u>500,644</u>	<u>357,053</u>	<u>5,075,191</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$2,886,395</u>	<u>\$2,047,682</u>	<u>\$500,644</u>	<u>\$ 435,793</u>	<u>\$ 5,870,514</u>

(continued)

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

Town of Lisbon, Connecticut

**Reconciliation of Fund Balance to Net Position of Governmental Activities
June 30, 2018**

Amounts Reported for Governmental Activities in the Statement of Net
Position (Exhibit A) are Different from the Governmental Fund Balance Sheet due to:

Fund Balances - Total Governmental Funds (Exhibit C)	\$ 5,075,191
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	12,750,085
Other long-term assets and deferred outflows of resources are not available to pay for current expenditures and, therefore, are deferred in the funds	
Deferred outflows - Property taxes receivables not considered available	255,586
Deferred outflows - Pension related	152,546
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	
General obligation bonds and bond anticipation notes	(1,915,000)
Bond premiums	(82,612)
Compensated absences	(305,458)
OPEB liability	(1,542,606)
Net pension liability	(414,874)
MERS payable	(371,059)
Accrued interest	(43,355)
Deferred inflows - OPEB related	(53,680)
Deferred inflows - pension related	(842)
Net Position of Governmental Activities (Exhibit A)	<u>\$ 13,503,922</u> (concluded)

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

Town of Lisbon, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018

	General Fund	Capital Nonrecurring Fund	Town Aid Roads Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 8,454,127	\$ -	\$ -	\$ -	\$ 8,454,127
Intergovernmental revenues	4,764,699	382,670	179,776	669,077	5,996,222
Charges for services	1,365,790	9,000	-	285,629	1,660,419
Interest income	46,231	28,443	7,347	7	82,028
Total Revenues	<u>14,630,847</u>	<u>420,113</u>	<u>187,123</u>	<u>954,713</u>	<u>16,192,796</u>
EXPENDITURES					
Current					
General government	1,549,110	-	-	62,512	1,611,622
Fire protection	153,537	-	-	-	153,537
Police protection	197,399	-	-	-	197,399
Highway and streets	539,070	-	135,024	-	674,094
Seniors and senior center	113,411	-	-	28,284	141,695
Recreation	58,108	-	-	-	58,108
Education	10,941,209	-	-	711,496	11,652,705
Debt service					
Principal	380,000	-	-	-	380,000
Interest	51,927	-	-	-	51,927
Capital outlay	<u>20,000</u>	<u>694,656</u>	<u>-</u>	<u>-</u>	<u>714,656</u>
Total Expenditures	<u>14,003,771</u>	<u>694,656</u>	<u>135,024</u>	<u>802,292</u>	<u>15,635,743</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>627,076</u>	<u>(274,543)</u>	<u>52,099</u>	<u>152,421</u>	<u>557,053</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	626,216	-	-	626,216
Transfers out	<u>(626,216)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(626,216)</u>
Net Other Financing Sources (Uses)	<u>(626,216)</u>	<u>626,216</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	860	351,673	52,099	152,421	557,053
Fund Balances - July 1, 2017	<u>2,211,182</u>	<u>1,653,779</u>	<u>448,545</u>	<u>204,632</u>	<u>4,518,138</u>
Fund Balances - June 30, 2018	<u>\$ 2,212,042</u>	<u>\$ 2,005,452</u>	<u>\$ 500,644</u>	<u>\$ 357,053</u>	<u>\$ 5,075,191</u>

The notes to 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, 2018

Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit B)
are different due to:

Net Change in Fund Balances - Total Governmental Funds (Exhibit D)	\$ <u>557,053</u>
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	924,944
Depreciation expense	(593,105)
Loss on disposal of assets	<u>(4,190)</u>
	<u>327,649</u>

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

Property taxes and other revenues	<u>(97,282)</u>
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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.

Principal payments on long-term debt	380,000
Amortization of premium	<u>34,683</u>
	<u>414,683</u>

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

Accrued interest	(24,621)
Compensated absences	(10,864)
Pension expense	69,530
OPEB expense	<u>(95,696)</u>
	<u>(61,651)</u>

Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 1,140,452</u>
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Town of Lisbon, Connecticut

Statement of Net Position
Proprietary Fund
June 30, 2018

	Water Pollution Control Authority Fund
ASSETS	
Current Assets	
Cash	\$ 62,930
Investments	150,187
Receivables	
Usage	<u>10,345</u>
Total Current Assets	<u>223,462</u>
Capital Assets	
Buildings and improvements	4,186,405
Less accumulated depreciation	<u>(1,607,400)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>2,579,005</u>
Total Assets	<u>2,802,467</u>
LIABILITIES	
Current Liabilities	
Accounts payable	<u>59,537</u>
NET POSITION	
Net investment in capital assets	2,579,005
Unrestricted	<u>163,925</u>
Total Net Position	<u>\$ 2,742,930</u>

Town of Lisbon, Connecticut

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Fund
 For the Year Ended June 30, 2018

	Water Pollution Control Authority Fund
Operating Revenues	
Charges for services	\$ 111,416
Operating Expenses	
Contractual services	118,445
Other supplies and expenses	5,538
Depreciation	104,660
Total Operating Expenses	228,643
Net Loss from Operations	(117,227)
Nonoperating Revenues (Expenses)	
Interest income	187
Change in Net Position	(117,040)
Net Position - July 1, 2017	2,859,970
Net Position - June 30, 2018	\$ 2,742,930

Town of Lisbon, Connecticut

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended June 30, 2018

	Water Pollution Control Authority Fund
Cash Flows From Operating Activities	
Cash received from customers and users	\$ 168,228
Cash payments to suppliers and contractors	<u>(127,345)</u>
Net Cash from Operating Activities	<u>40,883</u>
Cash Flows From Investing Activities	
Interest income	<u>187</u>
Net Increase in Cash and Cash Equivalents	41,070
Cash and Cash Equivalents - July 1, 2017	<u>172,046</u>
Cash and Cash Equivalents - June 30, 2018	<u>\$ 213,116</u>
Reconciliation to Statement of Net Position Cash:	
Cash and cash equivalents per above	\$ 213,116
Cash and cash equivalents reported as investments	<u>(150,187)</u>
Statement of Net Position Cash	<u>\$ 62,930</u>
Reconciliation of Loss from Operations to Net Cash from Operating Activities	
Net loss from operations	\$ (117,227)
Adjustments to reconcile loss from operations to net cash from operating activities	
Depreciation	104,660
Changes in operating assets and liabilities	
Receivables - usage	56,812
Accounts payable	<u>(3,362)</u>
Net Cash from Operating Activities	<u>\$ 40,883</u>

Town of Lisbon, Connecticut

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Custodial Funds
	<u>Student Activity</u>
ASSETS	
Cash	<u>\$ 35,814</u>
NET POSITION	
Restricted for individuals and organizations	<u>\$ 35,814</u>

The notes to 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, 2018

	Custodial Funds Student Activity
Additions	
Charges for services	\$ 58,200
Deductions	
Activities	<u>57,206</u>
Change in net position	994
Net position - July 1, 2017 (as restated)	<u>34,820</u>
Net position - June 30, 2018	<u><u>\$ 35,814</u></u>

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

History and Organization

The Town of Lisbon, Connecticut ("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.

1. Summary of Significant Accounting Policies

The accounting policies conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

A. Financial Reporting Entity

The financial reporting entity consists of: a) the primary government; b) organizations for which the primary government is financially accountable and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities (Exhibit B) report information on all non-fiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. 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 net position presents the financial position of the Town at the end of its fiscal year. The statement of activities demonstrates the degree to which 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 or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the statement of activities.

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.

1. Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

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, liabilities, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in 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 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.

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.

The Town reports the following major governmental funds:

General Fund – The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

Capital Nonrecurring Fund – 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.

Town Aid Road Fund – 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.

The Town reports the following major proprietary funds:

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

Additionally, the town reports the following fiduciary funds:

The Custodial Fund is primarily used to account for assets held on behalf of student groups.

1. Summary of Significant Accounting Policies (Continued)

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures, when applicable, related to early retirement incentives, compensated absences, capital leases, post-closure landfill costs, pollution remediation obligations, other post-employment benefit obligations, certain pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/ Fund Balances

Deposits, Investments and Risk Disclosure

Cash – For cash flow purposes, cash consists of funds deposited in demand deposit accounts, time deposit accounts, and treasury bills with original maturities of less than three months.

1. Summary of Significant Accounting Policies (Continued)

The Town's custodial credit risk policy is to only allow the Town to 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.

Investments - The investment policies of the Town conform to the policies as set forth by the State of Connecticut. The Town's policy is to only allow prequalified financial institution broker/dealers and advisors. The Town policy allows investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Statutes also provide for investment in shares of the Connecticut STIF.

The Short-Term Investment Fund ("STIF") is a money market investment pool managed by the Cash Management Division of the State Treasurer's Office. 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 reports its investments at amortized cost (which approximates fair value). The pool is rated AAAM by Standard & Poor. This is the highest rating for money market funds and investment pools.

The Town follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quote prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. 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 changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy for custodial credit risk is to invest in obligations allowable under the Connecticut General Statutes as described previously.

1. Summary of Significant Accounting Policies (Continued)

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under the Connecticut General Statutes.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital of any one depository.

Property Taxes Receivable - Property taxes are assessed on property values as of October 1st. The tax levy is divided into two billings; the following July 1st and January 1st. This is used to finance the fiscal year from the first billing (July 1st) to June 30th of the following year. The billings are considered due on those dates; however, the actual due date is based on a period ending 31 days after the tax bill. On these dates (August 1st and February 1st), the bill becomes delinquent at which time the applicable property is subject to lien, and penalties and interest are assessed.

Under State Statute, the Town has the right to impose a lien on a taxpayer if any personal property tax, other than a motor vehicle tax, due to the Town is not paid within the time limited by any local charter or ordinance. The lien shall be effective for a period of fifteen years from the date of filing unless discharged. A notice of tax lien shall not be effective if filed more than two years from the date of assessment for the taxes claimed to be due.

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 expenditures/expenses are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of year end, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. 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 the capitalization threshold for that asset type 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 acquisition value at the date of donation.

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

1. Summary of Significant Accounting Policies (Continued)

Land is considered inexhaustible and, therefore, not depreciated. Construction in progress has not been put into service yet and, therefore, is not being depreciated. Property, plant and equipment of the Town are depreciated or amortized using the straight line method over the following estimated useful lives:

Assets	Years	Capitalization Threshold
Land	N/A	\$5,000
Buildings and systems	20-40	\$5,000
Machinery and equipment	5-20	\$5,000
Infrastructure	20-50	\$25,000

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.

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 represents a consumption of net position that applies to a future period 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 represents an acquisition of net position that applies to a future period 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 pension and OPEB results from differences between expected and actual experience, the net difference between projected and actual earnings, town contributions subsequent to the measurement date, change in proportional share, and a change in assumptions. 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 include in expense over a five-year period and Town contributions subsequent to the measurement date which is included in the subsequent year.

Also, deferred inflows of resources in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Such amounts in the fund financial statements have been deemed to be measurable but not available pursuant to generally accepted accounting principles.

Long-Term Liabilities - 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.

1. Summary of Significant Accounting Policies (Continued)

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

Net Position - In the government-wide financial statements, net position is classified into the following categories:

Net Investment in Capital Assets

This category presents the net position that reflect capital assets net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded.

Restricted Net Position

This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).

Unrestricted Net Position

This category presents the net position of the Town which is not restricted.

In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been completely depleted before unrestricted net position is applied.

Fund Balance - Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).
- Restricted fund balance is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation.

1. Summary of Significant Accounting Policies (Continued)

- Committed fund balance will be reported for amounts that can only be used 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, in the General Fund, represents amounts constrained either by policies of the Board of Finance for amounts assigned for balancing the subsequent year's budget or management for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund include all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted or committed.
- Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Use of 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, deferred outflows and inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

G. Reclassification

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

2. Stewardship, Compliance and Accountability

A. Budget and Budgetary Accounting

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 action 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, \$435,365 of additional appropriations were made from fund balance. These increased the original budget by the same amount.

B. Capital Project Authorizations

	Beginning Unexpended Appropriation	Current Year Appropriations	Total Appropriation	Current Year Expenditures	Interfund Transfers	Current Year Revenues	Ending Unexpended Appropriation
Committed Fund Balance:							
Bundy Hill Road bridge	\$ 390,556	\$ -	\$ 390,556	\$ (2,140)	\$ -	\$ -	\$ 388,416
LCS oil tank removal	-	436,216	436,216	(116,565)	-	-	319,651
School Window Project	122,922	-	122,922	-	-	-	122,922
1 South Burnham Highway	54,500	-	54,500	-	-	-	54,500
Ford F-550 mason dump truck	2,575	-	2,575	-	-	-	2,575
Plan of conservation and development	25,028	-	25,028	-	(25,028)	-	-
Revaluation	600	-	600	-	(600)	-	-

2. Stewardship, Compliance and Accountability (Continued)

B. Capital Project Authorizations (Continued)

	Beginning Unexpended Appropriation	Current Year Appropriations	Total Appropriation	Current Year Expenditures	Interfund Transfers	Current Year Revenues	Ending Unexpended Appropriation
Committed Fund Balance:							
Bundy Hill Road bridge	\$ 390,556	\$ -	\$ 390,556	\$ (2,140)	\$ -	\$ -	\$ 388,416
LCS oil tank removal	-	436,216	436,216	(116,565)	-	-	319,651
School Window Project	122,922	-	122,922	-	-	-	122,922
1 South Burnham Highway	54,500	-	54,500	-	-	-	54,500
Ford F-550 mason dump truck	2,575	-	2,575	-	-	-	2,575
Plan of conservation and development	25,028	-	25,028	-	(25,028)	-	-
Revaluation	600	-	600	-	(600)	-	-
Strawberry Fields sidewalks	-	-	-	(382,670)	-	382,670	-
Ladder fire truck	(1,575)	-	(1,575)	-	-	-	(1,575)
Open space fees	61,400	-	61,400	-	-	9,000	70,400
Capital projects	227,659	70,000	297,659	-	-	-	297,659
Plan of conservation and development	115,000	25,000	140,000	-	25,028	-	165,028
Salt shed construction	145,000	15,000	160,000	-	-	-	160,000
Public and safety vehicles	224,609	55,000	279,609	(182,505)	-	-	97,104
Revaluation	47,200	15,000	62,200	-	600	-	62,800
Land purchases	58,121	10,000	68,121	(10,776)	-	-	57,345
GIS Assessor mapping	46,250	-	46,250	-	-	-	46,250
Lisbon meadow park improvements	15,498	-	15,498	-	-	-	15,498
Voting machine replacement	10,000	-	10,000	-	-	-	10,000
Assigned Fund Balance:							
Undesignated	108,436	-	108,436	-	-	28,443	136,879
	<u>\$ 1,653,779</u>	<u>\$ 626,216</u>	<u>\$ 2,279,995</u>	<u>\$ (694,656)</u>	<u>\$ -</u>	<u>\$ 420,113</u>	<u>\$ 2,005,452</u>

3. Detailed Notes

A. Cash and Investments

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 does not have a deposit policy for custodial credit risk. At year end, \$2,929,057 of the Town's bank balance of \$3,244,179 (including certificates of deposit and money market funds) was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 2,134,293
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>794,764</u>
Total amount subject to custodial credit risk	<u><u>\$ 2,929,057</u></u>

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

The Town's investments consisted of the following investment types and maturities. Specific identification was used to determine maturities.

3. Detailed Notes (Continued)

Type of Investment	Credit Rating	Fair Value	Investment Maturities (In Years) Less Than 1
Certificates of deposit	N/A	\$ 2,319,877	\$ 2,319,877
Pooled fixed income	AAA	2,841,279	2,841,279
Total		<u>\$ 5,161,156</u>	<u>\$ 5,161,156</u>

B. Receivables and Unearned Revenue

An allowance for uncollectible taxes of \$15,129 has been recorded.

C. Interfund Transactions

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. These were summarized as follows:

Major Funds	Corresponding Fund	Due From	Due To
General Fund			
Shooting Stars Fund	N/A	194	-
Education Grants Fund	N/A	-	10,027
Miscellaenous Town Grants Fund	N/A	<u>13,250</u>	<u>-</u>
Total General Fund		<u>13,444</u>	<u>10,027</u>
Capital Nonrecurring			
Miscellaenous Town Grants Fund	N/A	<u>5,951</u>	<u>-</u>
Other Governmental Funds			
Special Revenue Funds			
Education Grants Fund	General Fund	10,027	-
Shooting Stars Fund	General Fund	-	194
Miscellaneous Town Grants Fund	CNR Fund		5,951
Miscellaneous Town Grants Fund	General Fund	<u>-</u>	<u>13,250</u>
Total Other Governmental Funds		<u>10,027</u>	<u>19,395</u>
Grand Total		<u>\$ 29,422</u>	<u>\$ 29,422</u>

3. Detailed Notes (Continued)

Fund transfers are generally used to fund special projects with General Fund revenues. During the year, the General Fund transferred \$626,216 to the Capital Nonrecurring Fund.

D. Capital Assets

Changes in the Town's capital assets are as follows:

	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not being depreciated				
Land	\$ 2,604,586	\$ 7,877	\$ -	\$ 2,612,463
Construction in progress	-	499,235	-	499,235
Total capital assets not being depreciated	<u>2,604,586</u>	<u>507,112</u>	<u>-</u>	<u>3,111,698</u>
Capital assets being depreciated				
Buildings and systems	14,505,456	103,784	-	14,609,240
Machinery and equipment	3,527,312	289,268	47,800	3,768,780
Infrastructure	<u>2,274,970</u>	<u>24,780</u>	<u>-</u>	<u>2,299,750</u>
Total capital assets being depreciated	<u>20,307,738</u>	<u>417,832</u>	<u>47,800</u>	<u>20,677,770</u>
Less accumulated depreciation				
Buildings and systems	7,158,307	352,086	-	7,510,393
Machinery and equipment	2,829,938	134,219	43,610	2,920,547
Infrastructure	<u>501,643</u>	<u>106,800</u>	<u>-</u>	<u>608,443</u>
Total accumulated depreciation	<u>10,489,888</u>	<u>593,105</u>	<u>43,610</u>	<u>11,039,383</u>
Net capital assets being depreciated	<u>9,817,850</u>	<u>(175,273)</u>	<u>4,190</u>	<u>9,638,387</u>
Net Capital Assets	<u>\$ 12,422,436</u>	<u>\$ 331,839</u>	<u>\$ 4,190</u>	<u>\$ 12,750,085</u>

Depreciation and amortization expense were charged to functions/programs of the governmental activities as follows:

General government	\$ 17,648
Fire protection	46,923
Highways and streets	164,806
Recreation	29,232
Seniors and senior center	1,773
Education	<u>332,723</u>
Total depreciation expense	<u>\$ 593,105</u>

3. Detailed Notes (Continued)

Changes in the Town's capital assets used in the business-type activities are as follows:

	Beginning Balance	Increases	Ending Balance
Capital assets being depreciated			
Buildings and systems	\$ 4,186,405	\$ -	\$ 4,186,405
Less Accumulated Depreciation	(1,502,740)	(104,660)	(1,607,400)
Net capital assets	<u>\$ 2,683,665</u>	<u>\$ (104,660)</u>	<u>\$ 2,579,005</u>

Depreciation and amortization of \$104,660 were charged to the Water Pollution Control Authority.

E. Long-Term Liabilities

The following table summarizes changes in the Town's long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation bonds	\$ 1,530,000	\$ -	\$ 335,000	\$ 1,195,000	\$ 330,000
Bond anticipation notes	765,000	-	45,000	720,000	720,000
Premium	117,295	-	34,683	82,612	-
Compensated absences	294,594	13,293	2,429	305,458	24,391
OPEB liability	1,500,590	116,382	74,366	1,542,606	-
Net Pension liability	492,619	-	77,745	414,874	-
MERS payable	378,702	-	7,643	371,059	8,243
Total	<u>\$ 5,078,800</u>	<u>\$ 129,675</u>	<u>\$ 576,866</u>	<u>\$ 4,631,609</u>	<u>\$ 1,082,634</u>

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

General Obligation Bonds/ Bond Anticipation Notes

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

Purpose	Year of Issue	Original Amount	Final Maturity	Interest Rates	Amount Outstanding
Water/Schools refunding	2012	\$ 3,560,000	7/15/2022	2-3%	\$ 1,195,000
Land Purchase	2018	720,000	8/9/2018	1.50%	720,000
Total					<u>\$ 1,915,000</u>

3. Detailed Notes (Continued)

Payments to maturity on the general obligation bonds are as follows:

Year End	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2019	\$ 330,000	\$ 30,900
2020	220,000	22,650
2021	220,000	16,050
2022	215,000	9,525
2023	210,000	3,150
Total	<u>\$ 1,195,000</u>	<u>\$ 82,275</u>

Statutory Debt Limitations

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

Category	Debt Limit	Indebtedness	Balance
General purpose	\$ 17,370,473	\$ 720,000	\$ 16,650,473
Schools	34,740,945	406,300	34,334,645
Sewers	28,950,788	788,700	28,162,088
Urban Renewal	25,090,683	-	25,090,683
Pension Deficit	23,160,630	-	23,160,630

The total overall statutory debt limit for the Town is equal to seven times annual receipts from the prior year's taxation, \$54,041,470.

F. Fund Balances

As discussed in Note 1, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These are summarized below:

Fund Balance Component	General Fund	Capital Nonrecurring Fund	Town Aid Roads Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Small cities loans receivable	\$ -	\$ -	\$ -	\$ 297,442	\$ 297,442
Permanent fund principal	-	-	-	1,100	1,100
Total nonspendable	-	-	-	298,542	298,542

3. Detailed Notes (Continued)

Fund Balance Component	General Fund	Capital Nonrecurring Fund	Town Aid Roads Fund	Other Governmental Funds	Total Governmental Funds
Restricted:					
General government	\$ -	\$ -	\$ -	\$ 6,676	\$ 6,676
Town clerk documents	42,625	-	-	-	42,625
Cemetery care and maintenance	-	-	-	2,684	2,684
Total restricted	42,625	-	-	9,360	51,985
Committed:					
Capital projects	-	1,868,572	-	-	1,868,572
Assigned:					
Capital projects	-	136,880	-	-	136,880
Public works	-	-	500,644	-	500,644
Education programs	-	-	-	39,745	39,745
Senior center	-	-	-	9,406	9,406
General government	196,185	-	-	-	196,185
Total assigned	196,185	136,880	500,644	49,151	882,860
Unassigned	1,973,232	-	-	-	1,973,232
Total	\$ 2,212,042	\$ 2,005,452	\$ 500,644	\$ 357,053	\$ 5,075,191

4. Other Information

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

B. Commitments and Litigations

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

C. Connecticut Municipal Employees Retirement System (MERS)

Plan description

Municipalities may designate which departments (including elective officers if so specified) are to be covered under the Connecticut Municipal Employees Retirement System ("MERS"), a cost sharing multiple employer plan. This designation may be the result of collective bargaining. Only employees covered under the State Teachers' Retirement System may not be included.

4. Other Information (Continued)

There are no minimum age or service requirements. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

The plan has four sub plans as follows:

- General employees with social security
- General employees without social security
- Policemen and firemen with social security
- Policemen and firemen without social security

Plan Benefits

The plan provides retirement, disability and death benefits.

General Employees

Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service. Employees under the age of 55 are eligible to retire with 25 years of aggregate service.

Policemen and Firemen

Compulsory retirement age for police and fire members is age 65.

Normal Retirement: For members not covered by social security, the benefit is 2% of average final compensation times years of service.

For members covered by social security, the benefit is 1 ½% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include workers' compensation and social security benefits.

If any member covered by social security retires before age 62, the benefit until age 62 is reached or a social security disability award is received, is computed as if the member is not under social security.

Early Retirement: Employees are eligible after 5 years of continuous service or 15 years of active aggregate service. The benefit is calculated on the basis of average final compensation and service to date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement: Employees are eligible for service-related disability benefits from being permanently or totally disabled from engaging in the service of the municipality provided such disability has arisen out of and in the course of employment with the municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty. Disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Employees are eligible for nonservice-related disability benefits with 10 years of service and being permanently or totally disabled from engaging in gainful employment in the service of the municipality. Disability benefits are calculated based on compensation and service to the date of the disability.

4. Other Information (Continued)

Contributions

Employer

Participating municipalities 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 the system not met by member contributions. The Town contributed \$67,990 to the plan for the year.

Employees

For employees not covered by social security, each person is required to contribute 5% of compensation.

For employees covered by social security, each person is required to contribute 2 ¼% of compensation up to the social security taxable wage base plus 5% of compensation, if any, in excess of such base.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

The Town reported a pension liability of \$414,874 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The Town's proportionate share of the net pension liability was based upon the Town's 2016 actual payroll relative to the payroll of all the participating employers as of that date. The Town's proportional share is 0.250981% of the general employees with social security subplan.

Subsequent to the measurement date, there were no changes in benefit terms or any expected changes that will have an impact on the measurement of net pension liability.

The Town recognized pension expense of \$58,725. The Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 33,221	\$ -
Change in proportional share	40,285	842
Difference between expected and actual experience	7,888	-
Town contributions subsequent to measurement date	<u>71,152</u>	<u>-</u>
Total	<u>\$ 152,546</u>	<u>\$ 842</u>
Net amount of deferred inflows and outflows excluding Town contributions subsequent to measurement date		<u>\$ 80,552</u>

4. Other Information (Continued)

The \$71,152 amount reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2019	\$ 27,676
2020	48,343
2021	24,489
2022	<u>(19,956)</u>
Total	<u>\$ 80,552</u>

Actuarial assumptions – The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25-11.00%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for annuitants and non-annuitants (set forward one year for males and set back one year for females).

Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%, the maximum is 6%.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2007 through June 30, 2012.

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

4. Other Information (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large cap U.S. equities	16.0%	5.8%
Developed non-U.S. equities	14.0%	6.6%
Emerging markets (Non-U.S.)	7.0%	8.3%
Core fixed income	8.0%	1.3%
Inflation linked bond fund	5.0%	1.0%
Emerging market bond	8.0%	3.7%
High yield bonds	14.0%	3.9%
Real estate	7.0%	5.1%
Private equity	10.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	3.0%	0.4%
Total	<u>100.0%</u>	

Discount rate – The discount rate used to measure the total pension liability was 8.00%. 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 rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension (asset) liability to changes in the discount rate – The following presents the Town's proportional share of the net pension (asset) liability of the MERS, calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Rate (8.00%)	1% Increase (9.00%)
Town's proportional share of the net pension liability	<u>\$ 709,078</u>	<u>\$ 414,874</u>	<u>\$ 165,334</u>

Plan fiduciary net position – Detailed information about MERS plan's fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2017. This report is publicly available and can be obtained at www.ct.gov.

Payable to the pension plan – The Town had \$371,059 payable to the plan as of year-end. The payable represents the Town's remaining balance of the buy-in to the plan.

4. Other Information (Continued)

D. Teachers' 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 (TRS) - a cost sharing multiple-employer defined benefit pension plan administered by the Teachers' Retirement Board ("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.

Plan Benefits

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

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

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. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for non-service related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of average annual salary.

4. Other Information (Continued)

Contributions

State of Connecticut

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

Employer (School Districts)

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

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of their salary for the pension benefit.

Effective January 1, 2018, each teacher is required to contribute 7% of their salary for the pension benefit.

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

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 amounts 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 collective net pension liability	\$ -
State's Proportionate share of the collective net pension liability associated with the employer	10,663,253
Total	<u>\$ 10,663,253</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The Town has no proportionate share of the net pension liability.

For the fiscal year ended, the Town recognized pension expense and revenue of \$1,233,427 for on-behalf amounts for the benefits provided by the State.

4. Other Information (Continued)

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of investment related expense, including inflation

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 improvements scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 – June 30, 2015. As a result of the 2015 actuarial experience study, the rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted in the June 30, 2016 actuarial valuation to more closely reflect actual experience.

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

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those 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 plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

4. Other Information (Continued)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large cap U.S. equities	21.00%	5.80%
Developed non-U.S. equities	18.00%	6.60%
Emerging markets (non-U.S.)	9.00%	8.30%
Core fixed income	7.00%	1.30%
Private equity	11.00%	7.60%
Alternative investments	8.00%	4.10%
Real estate	7.00%	5.10%
Emerging market bond	5.00%	3.70%
High yield bonds	5.00%	3.90%
Inflation linked bond fund	3.00%	1.00%
Cash	6.00%	0.40%
	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 8.00%. 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 rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Plan Fiduciary Net Position – Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2017.

E. Other Post-Employment Benefits ("OPEB")

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 standalone financial report. No assets are accumulated in a trust that meets the criteria of GASB 75.

4. Other Information (Continued)

Contributions – The Town recommended contributions are actuarially determined on an annual basis using the entry age normal method. Contributions are established by contract and may be amended by union negotiations. The Town's total plan contribution was \$14,103 and the teachers retirement board subsidy was \$1,320.

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

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

Retirees and beneficiaries currently receiving benefits	1
Active plan members	<u>41</u>
Total	<u>42</u>

OPEB liability – The Town's total OPEB liability of \$1,542,606 was measured as of June 30, 2018, and was determined by an actuarial valuation as July 1, 2017.

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

Actuarial cost method	Entry age normal
Discount rate	3.87%
Inflation	2.60%

Healthcare cost trend rates:

Initial Medical trend rate	7.50%
Ultimate medical trend rate	4.60%
Year ultimate medical trend rate reached	2023

The discount rate was based on the S&P municipal bond 20-year high grade index as of the measurement date.

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

4. Other Information (Continued)

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 increased from 3.58% to 3.87%.
- Mortality tables changed from RP-2000 mortality tables projected to valuation date with scale AA to RP-2014 adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2017.
- Retirement and withdrawal rates changed from the Connecticut State TRS 2014 OPEB valuation to the 2016 OPEB valuation.
- Healthcare cost trend rates changed from 8.00% in 2015 reduced to an ultimate rate of 5.00% in 2021 and later to 7.50% in 2017 reduced to an ultimate rate of 4.60% in 2023 and later.

Changes in the Total OPEB Liability

Employee's Plan	Total OPEB Liability (a)
Balance at July 1, 2017	\$ 1,500,590
Service cost	60,760
Interest	55,622
Differences between expected and actual experience	(5,334)
Changes in assumptions	(53,609)
Benefit payments, including refunds of member contributions	(15,423)
Net change	42,016
Balance at June 30, 2018	\$ 1,542,606

Sensitivity of the total OPEB liability to changes in the discount rate

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

	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
Total OPEB liability	\$ 1,739,162	\$ 1,542,606	\$ 1,376,169

4. Other Information (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate.

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rates:

	1% Decrease (6.50% decreasing to 3.60%)	Current Trend (7.50% decreasing to 4.60%)	1% increase (8.50% decreasing to 5.60%)
Total OPEB liability	\$ 1,332,157	\$ 1,542,606	\$ 1,798,243

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the fiscal year the Town recognized OPEB expense of \$109,799. The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description of Inflows	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,858
Changes in assumptions	48,822
Total amount of deferred inflows	\$ 53,680

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

Year Ending June 30,	
2019	\$ 5,263
2020	5,263
2021	5,263
2022	5,263
Thereafter	32,628
Total	\$ 53,680

4. Other Information (Continued)

F. OPEB Plan – Connecticut State Teachers' Retirement Plan

Plan Description

Teachers, principals, superintendents, supervisors and professional employees at State schools of higher education if they choose to be covered that are currently receiving a retirement or disability benefit are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB). Chapter 167a Section 10-183 (t) of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit Provisions

The Plan provides for retiree health insurance benefits. Eligibility is as follows:

- **Normal Retirement:** Eligibility - Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.
- **Early Retirement:** Eligibility - 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.
- **Proratable Retirement:** Eligibility - Age 60 with 10 years of Credited Service.
- **Disability Retirement:** Eligibility - 5 years of Credited Service in Connecticut if not incurred in the performance of duty and no service requirement if incurred in the performance of duty.
- **Termination of Employment:** Eligibility - 10 or more years of Credited Service.

Retiree Health Care Coverage

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

4. Other Information (Continued)

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.

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.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). There are three choices for coverage under the CTRB Sponsored Medicare Supplemental Plans. The choices and 2017 calendar year premiums charged for each choice are shown in the table below

• Medicare Supplement with Prescriptions	\$ 92
• Medicare Supplement with Prescriptions and Dental	136
• Medicare Supplement with Prescriptions, Dental, Vision & Hearing	141

Those participants electing vision, hearing, and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the Plan for these benefits.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB - Sponsored Medicare Supplemental Plans, as long as they do not remarry.

Contributions

State of Connecticut

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

4. Other Information (Continued)

Employer (School Districts)

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

Employees

Each member is required to contribute 1.25% of their annual salary. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

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

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 amounts 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>\$ 2,744,583</u>
Total	<u><u>\$ 2,744,583</u></u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2016. The Town has no proportionate share of the net OPEB liability.

The Town recognized OPEB expense and revenue of \$127,198 for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2018

4. Other Information (Continued)

Mortality rates were based on the RP-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 and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale was used.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

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

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected rate of return is 2.75%.

Changes in Assumptions and Inputs

As a result of the experience study for the five-year period ending June 30, 2015:

- The payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase.
- The demographic assumptions of salary growth, payroll growth, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board.

Other changes were as follows:

- The discount rate has been increased from 3.01% to 3.56% as a based upon the increase in the municipal bond index.

Additionally, the assumed initial per capita health care costs, the assumed rates of healthcare inflation used to project the per capita costs, and the participation assumptions have been revised.

Affordable Care Act (ACA)

The impact of the Affordable Care Act (ACA) was addressed in this valuation. Review of the information currently available did not identify any specific provisions of the ACA that are anticipated to significantly impact results. While the impact of certain provisions such as the excise tax on high-value health insurance plans beginning in 2020 (if applicable), mandated benefits and participation changes due to the individual mandate should be recognized in the determination of liabilities, overall future plan costs and the resulting liabilities are driven by amounts employers and retirees can afford (i.e., trend).

Town of Lisbon, Connecticut

Notes to Financial Statements
For the Year Ended June 30, 2018

4. Other Information (Continued)

The trend assumption forecasts the anticipated increase to initial per capita costs, taking into account health care cost inflation, increases in benefit utilization, plan changes, government-mandated benefits, and technological advances. Given the uncertainty regarding the ACA's implementation (e.g., the impact of excise tax on high-value health insurance plans, changes in participation resulting from the implementation of state-based health insurance exchanges), continued monitoring of the ACA's impact on the Plan's liability will be required.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.56%. 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 rates equal to the difference between actuarially determined contribution rates and the member rate.

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

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

Plan Fiduciary Net Position

Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2017.

G. Prior Period Adjustment

	Governmental Activities	Custodial Funds
Net position as previously reported at June 30, 2017	\$ 12,536,131	\$ -
To remove net OPEB obligation as result of the implementation of GASB Statement 75	1,327,929	-
To record OPEB liability as result of the implementation of GASB Statement 75	(1,500,590)	-
To reclassify funds as a result of the implementation of GASB Statement 84	-	34,820
Net position as restated at July 1, 2017	<u>\$ 12,363,470</u>	<u>\$ 34,820</u>

Required Supplementary Information

Town of Lisbon, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts				
	Original	Additional Appropriations and Transfers	Final	Actual	Variance with Final Budget
REVENUES					
Property Tax Revenues					
Property taxes	\$ 8,416,802	\$ -	\$ 8,416,802	\$ 8,444,694	\$ 27,892
Benefit assessment - WPCA	14,000	-	14,000	9,433	(4,567)
Sewer assessment	8,000	-	8,000	-	(8,000)
	<u>8,438,802</u>	<u>-</u>	<u>8,438,802</u>	<u>8,454,127</u>	<u>15,325</u>
Intergovernmental Revenues					
Education					
Education cost sharing	3,061,109	-	3,061,109	3,067,705	6,596
Magnet school transportation	-	-	-	10,400	10,400
Other educational grants	11,155	-	11,155	-	(11,155)
	<u>3,072,264</u>	<u>-</u>	<u>3,072,264</u>	<u>3,078,105</u>	<u>5,841</u>
Other					
Pequot funds	22,716	-	22,716	22,716	-
DUI grants	25,000	-	25,000	-	(25,000)
Municipal Stabilization Grant	24,393	-	24,393	24,393	-
Other grants	78,517	-	78,517	6,003	(72,514)
	<u>150,626</u>	<u>-</u>	<u>150,626</u>	<u>53,112</u>	<u>(97,514)</u>
Tax Relief					
Elderly and totally disabled	30,000	-	30,000	-	(30,000)
Veterans	3,500	-	3,500	1,839	(1,661)
Totally disabled	500	-	500	481	(19)
Payment in lieu of taxes - state property	130	-	130	119	(11)
	<u>34,130</u>	<u>-</u>	<u>34,130</u>	<u>2,439</u>	<u>(31,691)</u>
Total Intergovernmental Revenues	<u>3,257,020</u>	<u>-</u>	<u>3,257,020</u>	<u>3,133,656</u>	<u>(123,364)</u>
Local Revenues					
Fees					
Land fees	19,500	-	19,500	22,648	3,148
Preservation fees	600	-	600	880	280
Planning and zoning fees	4,500	-	4,500	5,134	634
Miscellaneous fees	1,500	-	1,500	4,143	2,643
Local capital improvement fees	1,800	-	1,800	1,695	(105)
Sport license fees	75	-	75	115	40
Dog license fees	300	-	300	353	53
	<u>28,275</u>	<u>-</u>	<u>28,275</u>	<u>34,968</u>	<u>6,693</u>
Permits					
Building permits	52,500	-	52,500	95,550	43,050
Pistol permits	2,000	-	2,000	2,380	380
	<u>54,500</u>	<u>-</u>	<u>54,500</u>	<u>97,930</u>	<u>43,430</u>
Charges for Services					
Conveyance tax	25,000	-	25,000	32,309	7,309
Copies	7,000	-	7,000	8,592	1,592
	<u>32,000</u>	<u>-</u>	<u>32,000</u>	<u>40,901</u>	<u>8,901</u>
Interest on Investments	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>46,231</u>	<u>41,231</u>
Wheelabrator					
Contract fee	1,000,000	-	1,000,000	974,569	(25,431)
Host community royalties	156,000	-	156,000	150,408	(5,592)
	<u>1,156,000</u>	<u>-</u>	<u>1,156,000</u>	<u>1,124,977</u>	<u>(31,023)</u>

(Continued)

Town of Lisbon, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts			Actual	Variance with Final Budget
	Original	Additional Appropriations and Transfers	Final		
Other					
Telecommunications property	\$ 12,000	\$ -	\$ 12,000	\$ 8,655	\$ (3,345)
Recreation committee program fees	-	32,700	32,700	33,540	840
Senior van donation box	800	-	800	266	(534)
Tuition - regular education	7,873	-	7,873	7,540	(333)
Recreation committee summer program	32,700	(32,700)	-	-	-
Refunds	-	-	-	17,013	17,013
	<u>53,373</u>	<u>-</u>	<u>53,373</u>	<u>67,014</u>	<u>13,641</u>
Total Local Revenues	<u>1,329,148</u>	<u>-</u>	<u>1,329,148</u>	<u>1,412,021</u>	<u>82,873</u>
TOTAL REVENUES	<u>13,024,970</u>	<u>-</u>	<u>13,024,970</u>	<u>12,999,804</u>	<u>(25,166)</u>
EXPENDITURES					
General Government					
Selectmen's Office					
First selectman's salary	47,837	-	47,837	47,836	1
Second selectman's salary	5,153	-	5,153	5,152	1
Third selectman's salary	5,153	-	5,153	5,152	1
Bookkeeper's salary	27,659	-	27,659	27,659	-
Secretary/clerk's salary	47,206	-	47,206	47,206	-
Selectmens' supplies	3,000	-	3,000	2,451	549
Supplies and expense	3,000	-	3,000	1,094	1,906
	<u>139,008</u>	<u>-</u>	<u>139,008</u>	<u>136,550</u>	<u>2,458</u>
Town Clerk's Office					
Town clerk's salary	47,142	-	47,142	47,141	1
Asst. town clerk's salary	20,696	-	20,696	20,696	-
Records management service	13,000	-	13,000	12,873	127
Supplies and expense	6,000	-	6,000	5,599	401
Vital statistics	1,500	-	1,500	1,498	2
Document preservation grant	1	3,900	3,901	3,900	1
	<u>88,339</u>	<u>3,900</u>	<u>92,239</u>	<u>91,707</u>	<u>532</u>
Tax Collector's Office					
Tax collector's salary	40,062	-	40,062	40,062	-
Tax clerk's wages	7,172	-	7,172	6,463	709
Contracted service	2,863	-	2,863	2,700	163
Computer management/support	5,054	-	5,054	4,982	72
On-line bill pay	1,250	-	1,250	1,250	-
Tax refunds	4,000	8,310	12,310	11,585	725
Supplies and expense	4,250	-	4,250	4,144	106
Delinquent motor vehicle tax fee	1,050	-	1,050	-	1,050
	<u>65,701</u>	<u>8,310</u>	<u>74,011</u>	<u>71,186</u>	<u>2,825</u>
Assessor's Office					
Assessor's salary	45,193	(2,221)	42,972	42,937	35
Assessor's clerk salary	10,057	3,490	13,547	13,547	-
Tax mapping	6,000	-	6,000	6,000	-
Computer maintenance/support	14,870	(950)	13,920	13,919	1
Supplies and expense	3,010	(319)	2,691	2,629	62
	<u>79,130</u>	<u>-</u>	<u>79,130</u>	<u>79,032</u>	<u>98</u>
Treasurer's Office					
Treasurer's salary	18,935	-	18,935	18,935	-
Deputy treasurer's salary	1,000	-	1,000	1,000	-
Bank charges	500	-	500	5	495
Supplies and expense	500	-	500	-	500
	<u>20,935</u>	<u>-</u>	<u>20,935</u>	<u>19,940</u>	<u>995</u>

(Continued)

Town of Lisbon, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts				
	Original	Additional Appropriations and Transfers	Final	Actual	Variance with Final Budget
Board of Finance					
Auditor	\$ 17,200	\$ -	\$ 17,200	\$ 16,700	\$ 500
Supplies and expense	1,500	-	1,500	1,113	387
	18,700	-	18,700	17,813	887
Planning and Zoning					
Purchased services	52,000	1,507	53,507	53,496	11
Supplies and expense	2,000	1,610	3,610	3,338	272
	54,000	3,117	57,117	56,834	283
Zoning Board of Appeals					
Supplies and expense	1,550	-	1,550	930	620
Board of Tax Review					
Salaries	825	-	825	825	-
Supplies and expense	225	-	225	157	68
	1,050	-	1,050	982	68
Conservation Commission					
Enforcement officer	8,000	(228)	7,772	4,025	3,747
Supplies and expense	800	228	1,028	1,027	1
	8,800	-	8,800	5,052	3,748
Recycling Committee					
Purchased services	55,730	-	55,730	55,730	-
Supplies	100	-	100	-	100
	55,830	-	55,830	55,730	100
Registrars of Voters					
Democratic registrar's salary	8,305	-	8,305	8,305	-
Republican registrar's salary	8,305	-	8,305	8,305	-
Purchased services	1,000	-	1,000	800	200
Supplies and expense	36,000	-	36,000	22,839	13,161
Democratic deputy registrar	300	-	300	300	-
Republican deputy registrar	300	-	300	300	-
	54,210	-	54,210	40,849	13,361
Clerk to the Boards					
Clerk to the boards	10,000	-	10,000	9,484	516
Supplies and expenses	600	-	600	386	214
	10,600	-	10,600	9,870	730
Non-Allocated Expenditures					
Employee insurance	242,000	(1,020)	240,980	235,814	5,166
Social security and medicare	53,775	5,000	58,775	58,356	419
Municipal education	4,000	-	4,000	3,018	982
Unemployment compensation	4,000	11,502	15,502	12,064	3,438
Union related contingency	5,600	-	5,600	5,150	450
Pension	500	(252)	248	247	1
Town share retirement compensation	40,000	13,745	53,745	53,738	7
Employee retirement accrued liability	37,600	-	37,600	37,600	-
Town counsel	45,000	-	45,000	29,007	15,993
Town engineer	50,000	7,000	57,000	55,255	1,745
Insurance and bonding	191,840	2,372	194,212	194,212	-
Payroll service	6,000	-	6,000	5,697	303
Consulting fees/contracted services	55,000	915	55,915	55,835	80
Town hall utilities	27,000	-	27,000	22,465	4,535
Town hall maintenance	10,000	-	10,000	8,276	1,724
Town hall equipment maintenance	1,500	-	1,500	-	1,500
Town hall computer	7,500	-	7,500	1,062	6,438
Town hall copier maintenance	2,000	-	2,000	1,943	57

(Continued)

Town of Lisbon, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts			Actual	Variance with Final Budget
	Original	Additional Appropriations and Transfers	Final		
Town hall postage	\$ 10,000	\$ -	\$ 10,000	\$ 4,741	\$ 5,259
Town hall supplies and expense	3,250	-	3,250	3,134	116
Advertising and communications	4,500	-	4,500	1,100	3,400
Walking weekend	150	-	150	150	-
Donations	1,650	-	1,650	1,300	350
Auditors contracted services	1	1,580	1,581	1,580	1
	<u>802,866</u>	<u>40,842</u>	<u>843,708</u>	<u>791,744</u>	<u>51,964</u>
Town Memberships					
Town memberships	78,732	-	78,732	77,991	741
Other Protection and Prevention					
Building inspector wages	27,500	-	27,500	27,492	8
Animal control officer's salary	15,925	-	15,925	14,008	1,917
Recruitment/retention	11,700	-	11,700	11,700	-
Zoning enforcement wages	10,000	-	10,000	10,000	-
Building inspector supplies and expense	2,500	-	2,500	1,513	987
Dog damages	1	-	1	-	1
ZEO supplies and expense	500	-	500	-	500
	<u>68,126</u>	<u>-</u>	<u>68,126</u>	<u>64,713</u>	<u>3,413</u>
Health and Welfare					
Public health nursing	5,500	(5,500)	-	-	-
Health department	28,188	-	28,188	28,187	1
Sewer line fees	7,250	(7,250)	-	-	-
	<u>40,938</u>	<u>(12,750)</u>	<u>28,188</u>	<u>28,187</u>	<u>1</u>
Total General Government	<u>1,588,515</u>	<u>43,419</u>	<u>1,631,934</u>	<u>1,549,110</u>	<u>82,824</u>
Fire Protection					
Lisbon volunteer fire department	107,700	-	107,700	107,700	-
LVFD SCBA's	2,500	-	2,500	2,500	-
Hydrant rental	30,317	-	30,317	28,607	1,710
Fire marshal's salary	8,203	-	8,203	7,946	257
Fire marshal supplies and expense	3,000	-	3,000	1,637	1,363
Department of emergency management director's stipend	1,750	-	1,750	1,750	-
Tree warden stipend	200	-	200	200	-
Burning official	200	-	200	200	-
Department of emergency management expense	3,000	-	3,000	2,997	3
	<u>156,870</u>	<u>-</u>	<u>156,870</u>	<u>153,537</u>	<u>3,333</u>
Police Protection					
Resident state trooper contract	172,338	8,222	180,560	180,559	1
Trooper's supplies and expenses	3,000	-	3,000	1,904	1,096
Resident state trooper overtime	26,000	(8,222)	17,778	14,936	2,842
	<u>201,338</u>	<u>-</u>	<u>201,338</u>	<u>197,399</u>	<u>3,939</u>
Highways and Streets					
Highway department salaries	232,275	9,200	241,475	241,404	71
Street lighting	30,000	4,216	34,216	33,723	493
Contracted services	50,000	(3,697)	46,303	43,873	2,430
Town garage utilities	40,000	-	40,000	38,177	1,823
Town equipment and trucks	80,000	-	80,000	78,361	1,639
Highway dept. supplies	7,500	-	7,500	6,490	1,010
Road repair and maintenance	50,000	-	50,000	50,000	-
General road repair	20,000	(9,741)	10,259	6,510	3,749
Town garage maintenance	10,000	-	10,000	9,885	115
Sanitation	25,000	5,752	30,752	30,647	105
	<u>544,775</u>	<u>5,730</u>	<u>550,505</u>	<u>539,070</u>	<u>11,435</u>

(Continued)

Town of Lisbon, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2018

	Budgeted Amounts			Actual	Variance with Final Budget
	Original	Additional Appropriations and Transfers	Final		
Seniors and Senior Center					
Senior coordinator's salary	\$ 39,032	\$ -	\$ 39,032	\$ 39,031	\$ 1
Van driver's salary	21,307	-	21,307	19,301	2,006
Senior meal site wages	17,202	-	17,202	15,850	1,352
Senior center coverage wages	4,600	-	4,600	4,261	339
Senior citizen's services	3,500	(1,500)	2,000	1,746	254
Senior center utilities	15,000	-	15,000	14,183	817
Senior center maintenance	13,000	1,500	14,500	14,106	394
Senior van maintenance	1,900	-	1,900	1,846	54
Senior coordinator supplies	1,000	-	1,000	991	9
Senior center supplies	1,000	-	1,000	898	102
Senior center copier expense	1,200	-	1,200	1,198	2
	<u>118,741</u>	<u>-</u>	<u>118,741</u>	<u>113,411</u>	<u>5,330</u>
Recreation					
Special events	49,650	-	49,650	44,891	4,759
Recreation purchased services	17,000	-	17,000	7,253	9,747
Recreation supplies	2,575	-	2,575	594	1,981
Recreation maintenance of municipal rec fields	1,900	-	1,900	1,706	194
Lisbon meadows park	5,000	-	5,000	3,664	1,336
	<u>76,125</u>	<u>-</u>	<u>76,125</u>	<u>58,108</u>	<u>18,017</u>
BOARD OF EDUCATION	<u>9,483,998</u>	<u>-</u>	<u>9,483,998</u>	<u>9,310,166</u>	<u>173,832</u>
CAPITAL OUTLAY					
Capital improvements	20,000	-	20,000	20,000	-
Equipment, furniture, fixtures	3,000	-	3,000	-	3,000
	<u>23,000</u>	<u>-</u>	<u>23,000</u>	<u>20,000</u>	<u>3,000</u>
DEBT SERVICE					
Principal, general obligation bond	335,000	-	335,000	335,000	-
Principal, Hoydilla property	45,000	-	45,000	45,000	-
Interest, general obligation bond	40,875	-	40,875	40,875	-
Interest, Hoydilla property	11,412	-	11,412	11,052	360
	<u>432,287</u>	<u>-</u>	<u>432,287</u>	<u>431,927</u>	<u>360</u>
TOTAL EXPENDITURES	<u>12,625,649</u>	<u>49,149</u>	<u>12,674,798</u>	<u>12,372,728</u>	<u>302,070</u>
Excess (Deficiency) of Revenues Over Expenditures	399,321	(49,149)	350,172	627,076	276,904
OTHER FINANCING SOURCES AND (USES)					
Appropriation from fund balance	-	435,365	435,365	-	(435,365)
Transfers out	(240,000)	(386,216)	(626,216)	(626,216)	-
NET FINANCING SOURCES AND (USES)	<u>(240,000)</u>	<u>49,149</u>	<u>(190,851)</u>	<u>(626,216)</u>	<u>(435,365)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$ 159,321</u>	<u>\$ -</u>	<u>\$ 159,321</u>	<u>\$ 860</u>	<u>\$ (158,461)</u>

(Continued)

Town of Lisbon, Connecticut

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2018

Reconciliation to Exhibit D

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary basis - RSI 1	\$ 12,999,804	\$ 12,372,728
State Teachers Retirement on behalf amount - Pension	1,233,427	1,233,427
State Teachers Retirement on behalf amount - OPEB	127,198	127,198
Excess Cost Grant	<u>270,418</u>	<u>270,418</u>
GAAP basis - Exhibit D	<u>\$ 14,630,847</u>	<u>\$ 14,003,771</u>

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: The Town does not recognize revenue or expenditure amounts for the State Teachers' pension and OPEB on behalf of amounts from the State of Connecticut, and the excess cost grant is net against the expenditures in accordance with state statutes.

Town of Lisbon, Connecticut

Required Supplementary Information
Connecticut Municipal Employees' Retirement System
Last Four Years (1)

Schedule of Proportionate Share of Net Pension Liability

	2018	2017	2016	2015
Town's percentage of collective net pension liability	<u>0.250981%</u>	<u>0.250981%</u>	<u>0.197105%</u>	<u>0.197105%</u>
Town's portion net pension liability	<u>\$ 414,874</u>	<u>\$ 492,619</u>	<u>\$ 269,858</u>	<u>\$ 202,758</u>
Town's covered payroll	<u>\$ 597,453</u>	<u>\$ 597,453</u>	<u>\$ 437,388</u>	<u>\$ 437,388</u>
Town's proportionate share of the collective net pension liability as a percentage of covered payroll	<u>69.44%</u>	<u>82.45%</u>	<u>61.70%</u>	<u>46.36%</u>
Plan Fiduciary net position as a percentage of total pension liability	<u>91.68%</u>	<u>88.29%</u>	<u>90.52%</u>	<u>90.48%</u>

Schedule of Employer Contributions

	2018	2017	2016	2015
Town's contractually required contribution	<u>\$ 71,152</u>	<u>\$ 67,990</u>	<u>\$ 49,478</u>	<u>\$ 48,686</u>
Town's contributions in relation to the contractually required contribution	<u>71,152</u>	<u>67,990</u>	<u>49,478</u>	<u>48,686</u>
Town's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 597,453</u>	<u>\$ 597,453</u>	<u>\$ 437,388</u>	<u>\$ 437,388</u>
Town's contributions as a percentage of covered payroll	<u>11.91%</u>	<u>11.38%</u>	<u>11.31%</u>	<u>11.13%</u>

(1) This schedule is intended to present information for 10 years. Additional years will be presented when they become available.

Town of Lisbon, Connecticut

Required Supplementary Information
Connecticut Municipal Employees' Retirement System
Last Four Years (1)

Notes to Required Supplementary Information

Changes of benefit term	None
Changes of assumptions	None
Actuarial cost method	Entry Age
Amortization method	Level dollar, closed
Remaining amortization period	25 years
Asset valuation method	5 year smoothed market (20% recognition of investment gains and losses)
Inflation	3.25%
Salary increases	4.25%-11.00%, average, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

(1) This schedule is intended to present information for 10 years. Additional years will be presented when they become available.

Town of Lisbon, Connecticut

Required Supplementary Information
Connecticut Teachers' Retirement System
Last Four Years (3)

Schedule of Proportional Share of Net Pension Liability

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of collective net pension liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net pension liability associated with the Town	<u>10,663,253</u>	<u>11,249,813</u>	<u>8,517,731</u>	<u>7,872,936</u>
Total proportionate share of the collective net pension liability	<u>\$ 10,663,253</u>	<u>\$ 11,249,813</u>	<u>\$ 8,517,731</u>	<u>\$ 7,872,936</u>
Town's covered payroll	(1) <u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Town's proportionate share of the collective net pension liability as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of total pension liability	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

Schedule of Employer Contributions

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	(1) \$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	(2) <u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(1) Towns are not required to contribute to the plan.

(2) The Town is not required to contribute to the plan. The State contributes on behalf of the Town

(3) This schedule is intended to present information for 10 years. Additional years will be presented when they become available.

Town of Lisbon, Connecticut

Required Supplementary Information Connecticut Teachers' Retirement System Last Four Years (1)

Notes to Required Supplementary Information

Changes of benefit term	None
Changes of assumptions	<p>2016:</p> <ol style="list-style-type: none"> 1. Reduce the inflation assumption from 3.00% to 2.75%. 2. Reduce the real rate of return assumption from 5.50% to 5.25% which, when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.50% to 8.00%. 3. Reduce the annual rate of wage increase assumption from 0.75% to 0.50%. 4. Slightly modify the merit portion of the salary scale. 5. Reduce the payroll growth assumption from 3.75% to 3.25%. 6. Update mortality tables to projected versions of the RPH-2014 mortality tables. 7. Increase normal retirement rates for females at most ages and prorable retirement rates for males at most ages Decrease early retirement rates for both males and females. 8. Increase rates of withdrawal. 9. Decrease rates of disability for males.
Actuarial cost method	Entry Age
Amortization method	Level percent of salary, closed
Remaining amortization period	21.4 years
Asset valuation method	4 year smoothed market
Inflation	2.75%
Salary increases	3.25%-6.00%, average, including inflation
Investment rate of return	8.00% net of pension plan investment expense, including inflation

(1) This schedule is intended to present information for 10 years. Additional years will be presented when they become available.

Town of Lisbon, Connecticut

Required Supplementary Information
Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
June 30, 2018 (1)

Schedule of Proportionate Share of the Net OPEB Liability

Town's proportion of the net OPEB liability		0.00%
Town's proportionate share of the net OPEB liability		\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with Town		2,744,583
Total		\$ 2,744,583
Town's covered payroll	(2)	N/A
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll		0.00%
Plan fiduciary net position as a percentage of the total OPEB liability		1.79%

Schedule of Contributions

Contractually required contribution	(1)	\$ -
Contributions in relation to the contractually required contribution		-
Contribution deficiency (excess)		\$ -
Town's covered payroll	(2)	N/A
Contributions as a percentage of covered payroll		0.00%

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the net OPEB liability

(1) These schedules are intended to present information for 10 years. Additional years will be presented when they become available.

Town of Lisbon, Connecticut

Required Supplementary Information
Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Notes to Required Supplementary Information
June 30, 2018 (1)

Changes of benefit terms	None
Changes of assumptions	2016:
	The discount rate has been lowered from 4.50% to 4.25% to reflect the decrease in the rate of inflation
	The payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase
	The demographic assumptions of salary growth, payroll growth, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board
	The assumed initial per capita health care costs, the assumed rates of healthcare inflation used to project the per capita costs, and the participation assumptions have been revised
Actuarial Cost Method	Entry age
Amortization Method	Level percentage, open
Asset Valuation Method	Fair Value
Inflation	2.75%
Healthcare inflation rate - Initial	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary Increases	3.25% to 6.50%, including inflation
Investment Rate of Return	4.25%
Mortality Rate	RP-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 and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using the BB improvement scale

(1) These schedules are intended to present information for 10 years.
Additional years will be presented as they become available.

Town of Lisbon, Connecticut

Other Post-Employment Benefits Plan
 Required Supplementary Information
 June 30, 2018

Schedule of Changes in OPEB Liability

OPEB Liability:	
Service Cost	\$ 60,760
Interest	55,622
Differences between expected and actual experience	(5,334)
Changes in assumptions	(53,609)
Benefit payments, including refunds of member contributions	<u>(15,423)</u>
Net change in OPEB liability	42,016
OPEB Liability - July 1	<u>1,500,590</u>
OPEB Liability - June 30 (a) *	<u>\$ 1,542,606</u>
Covered payroll	<u>\$ 2,985,731</u>
Total OPEB liability as a percent of covered payroll	<u>51.67%</u>

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

(1) These schedules are intended to present information for 10 years. Additional years will be presented as the information becomes available.

Supplemental Schedules

General Fund

Town of Lisbon, Connecticut

Report of the Property Tax Collector
For the Year Ended June 30, 2018

Grand List Year	Beginning Receivable Balance (as restated)	Current Year Levy	Lawful Corrections		Transfer to Suspense	Net Taxes Collectible	Collections During the Year				Ending Balance	
			Additions	Deductions			Taxes	Interest	Liens	Total		
2016	\$ -	\$ 8,407,087	\$ 28,236	\$ 39,614	\$ -	\$ 8,395,709	\$ 8,308,054	\$ 25,815	\$ 292	\$ -	\$ 8,334,161	\$ 87,655
2015	106,419	-	3,429	5,508	-	104,340	64,399	13,583	688	-	78,670	39,941
2014	48,776	-	159	1,107	7,521	40,307	22,668	7,406	332	-	30,406	17,639
2013	21,803	-	181	1,033	-	20,951	9,600	5,195	120	-	14,915	11,351
2012	13,787	-	249	1,028	-	13,008	7,831	4,582	96	-	12,509	5,177
2011	4,993	-	268	1,039	-	4,222	3,589	3,519	96	-	7,204	633
2010	2,856	-	-	530	-	2,326	2,326	2,486	72	-	4,884	-
	<u>\$ 198,634</u>	<u>\$ 8,407,087</u>	<u>\$ 32,522</u>	<u>\$ 49,859</u>	<u>\$ 7,521</u>	<u>\$ 8,580,863</u>	<u>\$ 8,418,467</u>	<u>\$ 62,586</u>	<u>\$ 1,696</u>	<u>\$ -</u>	<u>\$ 8,482,749</u>	<u>\$ 162,396</u>
											Interest Receivable	42,983
											Allowance for doubtful accounts	(15,129)
											Net Taxes Receivable	\$ 190,250

**Other
Governmental
Funds**

Town of Lisbon, Connecticut

Combining Balance Sheet
Other Governmental Funds
June 30, 2018

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash	\$ 89,196	\$ -	\$ 89,196
Investments	4,022	3,784	7,806
Receivables			
Accounts	5,988	-	5,988
Loans	297,442	-	297,442
Intergovernmental	19,696	-	19,696
Due from other funds	10,027	-	10,027
Other	5,638	-	5,638
Total Assets	<u>\$ 432,009</u>	<u>\$ 3,784</u>	<u>\$ 435,793</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 869	\$ -	\$ 869
Accrued payroll and related liabilities	276	-	276
Unearned revenues	58,200	-	58,200
Due to other funds	19,395	-	19,395
Total Liabilities	<u>78,740</u>	<u>-</u>	<u>78,740</u>
Fund balances			
Nonspendable	297,442	1,100	298,542
Restricted	6,676	2,684	9,360
Assigned	49,151	-	49,151
Total Fund Balances	<u>353,269</u>	<u>3,784</u>	<u>357,053</u>
Total Liabilities and Fund Balances	<u>\$ 432,009</u>	<u>\$ 3,784</u>	<u>\$ 435,793</u>

Town of Lisbon, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Other Governmental Funds
 For the Year Ended June 30, 2018

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
REVENUES			
Intergovernmental revenues	\$ 669,077	\$ -	\$ 669,077
Charges for services	285,629	-	285,629
Interest income	-	7	7
Total Revenues	<u>954,706</u>	<u>7</u>	<u>954,713</u>
EXPENDITURES			
Current expenditures			
General government	62,512	-	62,512
Seniors and senior center	28,284	-	28,284
Education	<u>711,496</u>	<u>-</u>	<u>711,496</u>
Total Expenditures	<u>802,292</u>	<u>-</u>	<u>802,292</u>
Net Change in Fund Balances	152,414	7	152,421
Fund Balances - July 1, 2017	<u>200,855</u>	<u>3,777</u>	<u>204,632</u>
Fund Balances - June 30, 2018	<u>\$ 353,269</u>	<u>\$ 3,784</u>	<u>\$ 357,053</u>

Town of Lisbon, Connecticut

Combining Balance Sheet
Special Revenue Funds
June 30, 2018

	Miscellaneous Town Grant Fund	Cafeteria Fund	After School Child Care Fund	Shooting Stars Fund	Education Grants Fund	Total Special Revenue Funds
ASSETS						
Cash	\$ 26,663	\$ 8,137	\$ 5,207	\$ 5,605	\$ 43,584	\$ 89,196
Investments	-	-	-	4,022	-	4,022
Receivables	-	-	-	-	-	-
Accounts	-	-	5,988	-	-	5,988
Loans	297,442	-	-	-	-	297,442
Intergovernmental	-	13,300	-	-	6,396	19,696
Due from other funds	-	-	-	-	10,027	10,027
Other	-	4,634	1,004	-	-	5,638
Total Assets	\$ 324,105	\$ 26,071	\$ 12,199	\$ 9,627	\$ 60,007	\$ 432,009
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 786	\$ 56	-	\$ 27	-	\$ 869
Accrued payroll and related liabilities	-	276	-	-	-	276
Unearned revenues	-	1,756	-	-	56,444	58,200
Due to other funds	19,201	-	-	194	-	19,395
Total Liabilities	19,987	2,088	-	221	56,444	78,740
Fund balances						
Nonspendable	297,442	-	-	-	-	297,442
Restricted	6,676	-	-	-	-	6,676
Assigned	-	23,983	12,199	9,406	3,563	49,151
Total Fund Balances	304,118	23,983	12,199	9,406	3,563	353,269
Total Liabilities and Fund Balances	\$ 324,105	\$ 26,071	\$ 12,199	\$ 9,627	\$ 60,007	\$ 432,009

Town of Lisbon, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 2018

	Miscellaneous Town Grant Fund	Cafeteria Fund	After School Child Care Fund	Shooting Stars Fund	Education Grants Fund	Total Special Revenue Funds
REVENUES						
Intergovernmental revenues	\$ 261,741	\$ 81,025	\$ -	\$ -	\$ 326,311	\$ 669,077
Charges for services	8,725	120,643	102,774	22,698	30,789	285,629
Total Revenues	<u>270,466</u>	<u>201,668</u>	<u>102,774</u>	<u>22,698</u>	<u>357,100</u>	<u>954,706</u>
EXPENDITURES						
Current						
General government	62,512	-	-	-	-	62,512
Seniors and senior center	6,705	-	-	21,579	-	28,284
Education	-	204,612	103,259	-	403,625	711,496
Total Expenditures	<u>69,217</u>	<u>204,612</u>	<u>103,259</u>	<u>21,579</u>	<u>403,625</u>	<u>802,292</u>
Net Change in Fund Balances	201,249	(2,944)	(485)	1,119	(46,525)	152,414
Fund Balances - July 1, 2017	<u>102,869</u>	<u>26,927</u>	<u>12,684</u>	<u>8,287</u>	<u>50,088</u>	<u>200,855</u>
Fund Balances - June 30, 2018	<u>\$ 304,118</u>	<u>\$ 23,983</u>	<u>\$ 12,199</u>	<u>\$ 9,406</u>	<u>\$ 3,563</u>	<u>\$ 353,269</u>

Town of Lisbon, Connecticut

Combining Balance Sheet
 Permanent Funds
 June 30, 2018

	Palmer Fund	Preston Learned Fund	Total Permanent Funds
ASSETS			
Investments	\$ 694	\$ 3,090	\$ 3,784
FUND BALANCES			
Nonspendable	\$ 100	\$ 1,000	\$ 1,100
Restricted	594	2,090	2,684
Total Fund Balances	\$ 694	\$ 3,090	\$ 3,784

Town of Lisbon, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Permanent Funds
 For the Year Ended June 30, 2018

	Palmer Fund	Preston Learned Fund	Total Permanent Funds
REVENUES			
Interest income	\$ 1	\$ 6	\$ 7
Net Change in Fund Balance	1	6	7
Fund Balances - July 1, 2017	693	3,084	3,777
Fund Balances - June 30, 2018	\$ 694	\$ 3,090	\$ 3,784

Trend Information

Town of Lisbon, Connecticut

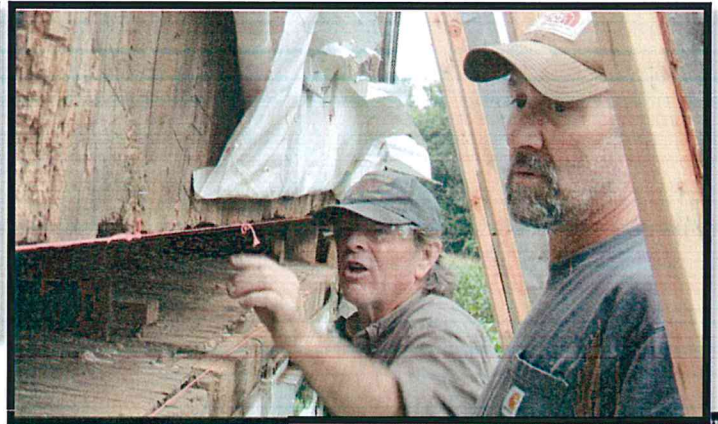
Schedule of Debt Limitation
As of and for the Year Ended June 30, 2018
(Unaudited)

Total prior year tax collections (including interest and lien fees)					<u>\$ 7,720,210</u>
Debt limitation:	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
2 1/4 times base	\$ 17,370,473	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	34,740,945	-	-	-
3 3/4 times base	-	-	28,950,788	-	-
3 1/4 times base	-	-	-	25,090,683	-
3 times base	-	-	-	-	23,160,630
Total debt limitation	<u>17,370,473</u>	<u>34,740,945</u>	<u>28,950,788</u>	<u>25,090,683</u>	<u>23,160,630</u>
Indebtedness:					
Bonds payable	-	406,300	788,700	-	-
Bond anticipation notes (long-term)	<u>720,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>720,000</u>	<u>406,300</u>	<u>788,700</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding debt	<u>\$ 17,370,473</u>	<u>\$ 34,334,645</u>	<u>\$ 28,162,088</u>	<u>\$ 25,090,683</u>	<u>\$ 23,160,630</u>
Notes:					
(1) The total of the above net indebtedness amounts to:					<u>\$ 1,915,000</u>
In no event shall total indebtedness exceed seven times the base for debt limitation computation:					<u>\$ 54,041,470</u>

The back cover of the Annual Report 2017 – 2018

*The photographs on the back cover were taken by Ken Mahler and Angela Howard.
The captions are described here:*

- In May, society members (including Ken Mahler and his small skid steer) gathered to **dismantle an old, small milk barn** at the Burnham Tavern (former Hoydila Property) that had collapsed during a February 2018 snowstorm. The **barn** is seen below just a month prior to its collapse.
- On the Northern or Canterbury side of the Burnham Tavern **Nick Anderson and Mark Holdridge** prepare the surface for the second section of girt or beam between the top of the first floor and bottom of the second floor.
- This little **insert fireplace** is in the kitchen of the John Bishop House, and is one of two working fireplaces in the building. This one is used for open hearth cooking for classes and special events such as the “Cooking with the Kids” program each spring with students from Lisbon Central School.
- The Burnham Tavern property is still a working farm. The town leases some of the 120+ acres to a local farmer for growing hay and feed corn. **Here a large tractor** is pictured ready to pull harvesting trucks through wet sections of the fields.
- All those **leaning posts and screw jacks** are used to prop up the Canterbury side of the Tavern while the third side of the sill is replaced at the Tavern.
- Despite howling winds, cold temperatures and rain, over 90 **people waited in line** to tour the Burnham Tavern in October 2017 as part of Walktober.
- **Kim Sperry** in **period costume** stands by an outside display at the John Bishop House during Fall Festival.
- **Sharon Gabiga sorts bottles and cans** every weekend. Three other members are on sorting duty during the week. The can redemption program yields about \$6,000 for the historical society during most budget years. We use four redemption stops: Levine Distributors in Norwich, The Arc in Woodstock, The Lisbon Package Store, and Aldi’s. The sorting and trucking of the 120,000 cans and bottles is a major task, but a good source of funds.
- **Pamela Mower (L) and Paula Adams**, president of the society, exchange smiles after Pamela passes on a donation check from the Lisbon Walmart branch of the Webster Savings Institute Bank & Trust.
- Member **Kevin Shafer** works in one of the rooms at the Burnham Tavern exposing the original fireplace opening. The fireplaces had been bricked off years ago to allow for wood and kerosene stoves installed in flu openings.



The Lisbon Historical Society 2017-2018