

**TOWN OF WILLINGTON,  
CONNECTICUT**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**YEAR ENDED JUNE 30, 2019**

TOWN OF WILLINGTON, CONNECTICUT  
Comprehensive Annual Financial Report  
Year Ended June 30, 2019

Prepared by:  
Finance Department  
Diane Bulick, Treasurer  
Donna Latincsics, Business Manager

**TOWN OF WILLINGTON, CONNECTICUT**  
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# Introductory Section

# Town of Willington

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Board of Selectmen • 40 Old Farms Road • Willington, Connecticut 06279 • (860) 487-3100 • Fax (860) 487-3103

December 30, 2019

To the Members of the Board of Selectmen,  
Board of Finance and the Citizens of the  
Town of Willington, Connecticut:

The Comprehensive Annual Financial Report (CAFR) of the Town of Willington, Connecticut (the “Town”) for the fiscal year ended June 30, 2019 is hereby submitted.

This report was prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units as promulgated by the Governmental Accounting Standards Board. Responsibility for the accuracy of the data and the completeness of the presentation, including all disclosures, rests with the management of the Town of Willington.

We believe the information presented is accurate in all material respects; that it is presented in a manner designed to fairly exhibit the financial position and results of operations of the Town, and that all disclosures necessary to enable the reader to gain maximum understanding of the Town’s financial activity have been included.

Pursuant to Connecticut Law, the Town is required to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management and a copy of the report must be filed with such Office within six months of the end of the fiscal year. The examination was conducted by the firm of Mahoney Sabol & Company, LLP independent certified public accountants of Glastonbury, Connecticut. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the Town was part of a broader, State of Connecticut mandated “Single Audit” designed to meet the special needs of state grantor agencies. The Single Audit Report contains the independent auditors’ reports on compliance and internal control, the schedules of expenditures of state financial assistance, and the schedule of findings and questioned costs.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town’s MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Town of Willington**

The Town of Willington, located in Tolland County, is approximately 25 miles northeast of Hartford and two miles from the main campus of the University of Connecticut at Storrs. The Town is bounded on the north by the Towns of Stafford and Union, on the east by the Town of Ashford, on the west by the Towns of Ellington and Tolland and on the south by the Town of Mansfield. The Town of Willington was incorporated in 1727 and covers an area of 34.8 square miles. It is traversed by Interstate 84 and state routes No. 32, 44, 74, and 320. Passenger service is provided on a limited basis by the buses of the Windham Regional Transit District. Freight service is provided by Central Vermont Railway and numerous motor common carriers.

The Town of Willington has a Board of Selectmen, Town Meeting, and Board of Finance form of government. The Board of Selectmen, elected to two-year terms, consists of three members and functions as the executive authority of the Town in accordance with the provisions of the General Statutes of the State of Connecticut.

The First Selectman, a member of the Board of Selectmen, is the full-time Chief Executive and Administrative Officer of the Town and oversees the execution of all laws and ordinances governing the Town. She presides over the Board of Selectmen and has full voting privileges on the Board. The First Selectman, with the approval of the Board of Selectmen, appoints members to various commissions and boards and serves as the Town's Purchasing Agent. Additional duties include the authority over and the responsibility for the revenue collector's and assessor's operations.

The six-member Board of Finance, elected for six-year staggered terms, is responsible for proposing annual budgets and special appropriations at Town Meetings and works closely with the First Selectman, Treasurer and Business Manager to establish and enforce fiscal policy as well as internal control policies and procedures. The Board of Finance reviews requests for funding from the Board of Selectmen, Board of Education and other agencies and officials. A budget hearing is held in April, at which time taxpayer comments are obtained. The annual Town meeting followed by a referendum are held at the beginning of May at which time the proposed operating budget for the fiscal year commencing July 1 is voted upon for approval. In accordance with the provisions of local ordinance, all Town meeting votes on proposed budgets are adjourned to referendum vote on voting machines. The operating budget includes proposed expenditures and the means of financing them. Prior to July 1, the budget is legally enacted.

Formal budgetary integration is employed as a management control device during the year. The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

Generally, all unexpended and unencumbered appropriations lapse at year-end, except those for the capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year. Encumbered appropriations in the general fund are not re-appropriated in the ensuing year's budget but are carried forward.

Upon approval of the budget, the Board of Finance establishes the tax rate and notifies the Revenue Collector. The Board of Finance files an official copy of the approved budget with the Town Clerk within five days of approval.

A seven-member Board of Education, elected for four-year staggered terms, is responsible for the operation of the Town's grades K-8 school system. Willington also elects four members to the Regional 19 Board of Education. The Regional Board is responsible for Willington students' high school education and the operation of E.O. Smith Regional High School. Elections are held biennially in November in every odd-numbered year.



### **Profile of the Town of Willington** *(Continued)*

The Town's professional staff includes a Business Manager, Treasurer, a Revenue Collector and an Assessor. The Treasurer is responsible for the treasury management functions of the Town. The Business Manager is responsible for the activities of the accounting staff for the Town and Board of Education. In addition, they are both responsible for assisting the Board of Finance in the preparation of the annual budget; the maintenance of the general ledgers of the Town; financial planning and cost accounting; data processing; financial report preparation; and supervision of the annual independent audit. The Treasurer is also responsible for the investment of all Town funds. The Revenue Collector is responsible for the collection and reconciliation of all property tax obligations due to the Town. The Assessor values all buildings, land, motor vehicles and personal property to assess the amount of taxes owed by the taxpayers. The Assessor also oversees the town-wide physical revaluation. The Town must implement revaluation every five years and a revaluation by physical inspection must be done no later than ten years from the preceding physical inspections. Assessment information is sent to the Revenue Collector so she may send tax notifications to the taxpayers.

The Town's accounting system considers the adequacy of internal control to ensure that the assets of the Town are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of reliable financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations take into consideration the concepts listed above. Management believes the Town's internal control adequately safeguards assets and provides reasonable assurance of the proper recording of financial transactions.

The Town of Willington provides a range of services, including ambulance and fire protection, recreational activities and cultural events. The Town participates in the Mid-Northeast Recycling Operating Committee ("Mid-NEROC") for collection of recyclable materials and household hazardous wastes. It is a member of the ten-town Eastern Highlands Health District for the purpose of providing environmental health-related services including septic design reviews, restaurant inspections and health education. Also, the Board of Selectmen appoints members to the Willington Housing Authority, a related organization.

## **Local Economy**

Property tax collections over the past 10 years have averaged 99 percent. The commercial/industrial operations in the Town have consistently provided a significant portion of property taxes.

The largest concentration of economic development in the Town is located on State Route 320 by the Exit 71 interchange of Interstate 84. Five hundred nineteen acres of land on the east side of Route 320 is zoned "Designed Industrial". In 1997, Roadway Package Systems, now FedEx, completed a \$22 million New England regional distribution facility on 109 acres of the industrial property. Since then, they have completed more than \$15 million dollars in expansions and improvements to their facility to include adding another 5 acres of land, building two office buildings and a storage building, expanding their maintenance building, parking areas, fuel island and loading docks, upgrading the gatehouse, conveyor belt and sorting systems and re-aligning the parking areas to maximize the flow.

In addition to the FedEx distribution facility, other industrial development in Town is limited to the mining and quarrying of earth products near the center of Town, a water bottling company, a bulk spring water supply and several small-scale industrial operations in South Willington.

Travel Centers of America is located off the Exit 71 interchange and consists of a truck stop, several commercial services and a motel. Other existing commercial facilities are principally located in West Willington center with sporadic commercial development occurring along River Road (Route 32) and a few commercial businesses located on Tolland Turnpike (Route 74). These facilities include a small shopping plaza, restaurants, small retail establishments, a kennels, research facilities and other small service establishments.

During the 2012-2013 fiscal year, Love's Travel Stop & Country Stores put in an application for a special permit to build within the Town and was approved during the 2013-2014 fiscal year. They are awaiting State approval and are expected to begin the zoning and building process once these approvals are received.

Dollar General was the newest business addition in the fiscal year located adjacent to Phelps Crossing.

An Economic Development Commission is charged with promoting and developing the economic resources of the Town and work closely with businesses looking to open or expand their business within the Town.

## **Long-Range Financial Planning**

The Town's capital improvement plan (CIP) continues to be used as the primary planning and implementation document for capital purchases and fund identification. This plan is a five-year rolling plan and is updated annually. The CIP committee's long-term objective is to have a five-year bonding cycle for major purchases and an adequate reserve for all other capital purchases.

The completed projects for fiscal year 2019 included; replacement of front entrance stairs and ramp for the Town Office Building, repair of basement pillars under the town clerk's office, purchase of fire house safety equipment. The Town upgraded the Building Department permitting software to integrate online applications with the tax office and the assessor's office.

### **Financial Policies and Practices**

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

The Town of Willington's operating and working capital funds are invested under the responsibility and authority of the Town Treasurer. Currently, the Town's short-term investments is invested in the State of Connecticut Short Term Investment Fund ("STIF") which is an investment pool managed by the State Treasurer's Office. The fair value of the Town's position in this pool is the same as the value of the pool shares.

### **Town Defined Benefit Plan**

The Town maintains the Town of Willington Pension Plan ("Plan"), a single-employer, contributory, defined benefit pension plan covering two employees. The Town also provides a SIMPLE IRA plan for all other Town employees, except Board of Education employees. The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. Benefit provisions are established and can be amended by the Board of Selectmen. This Plan is part of the Town's financial reporting entity and is included as a pension trust fund of the Town. Separate, stand-alone financial statements for the Plan are not prepared.

### **Awards and Acknowledgement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Willington for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 19<sup>th</sup> consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the Business Manager, Donna Latincsics and her department. Credit must also be given to the Board of Selectmen and the Board of Finance for their unfailing support for maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully Submitted,

*Diane Bulick*

Diane Bulick  
Treasurer  
Town of Willington, CT



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Willington  
Connecticut**

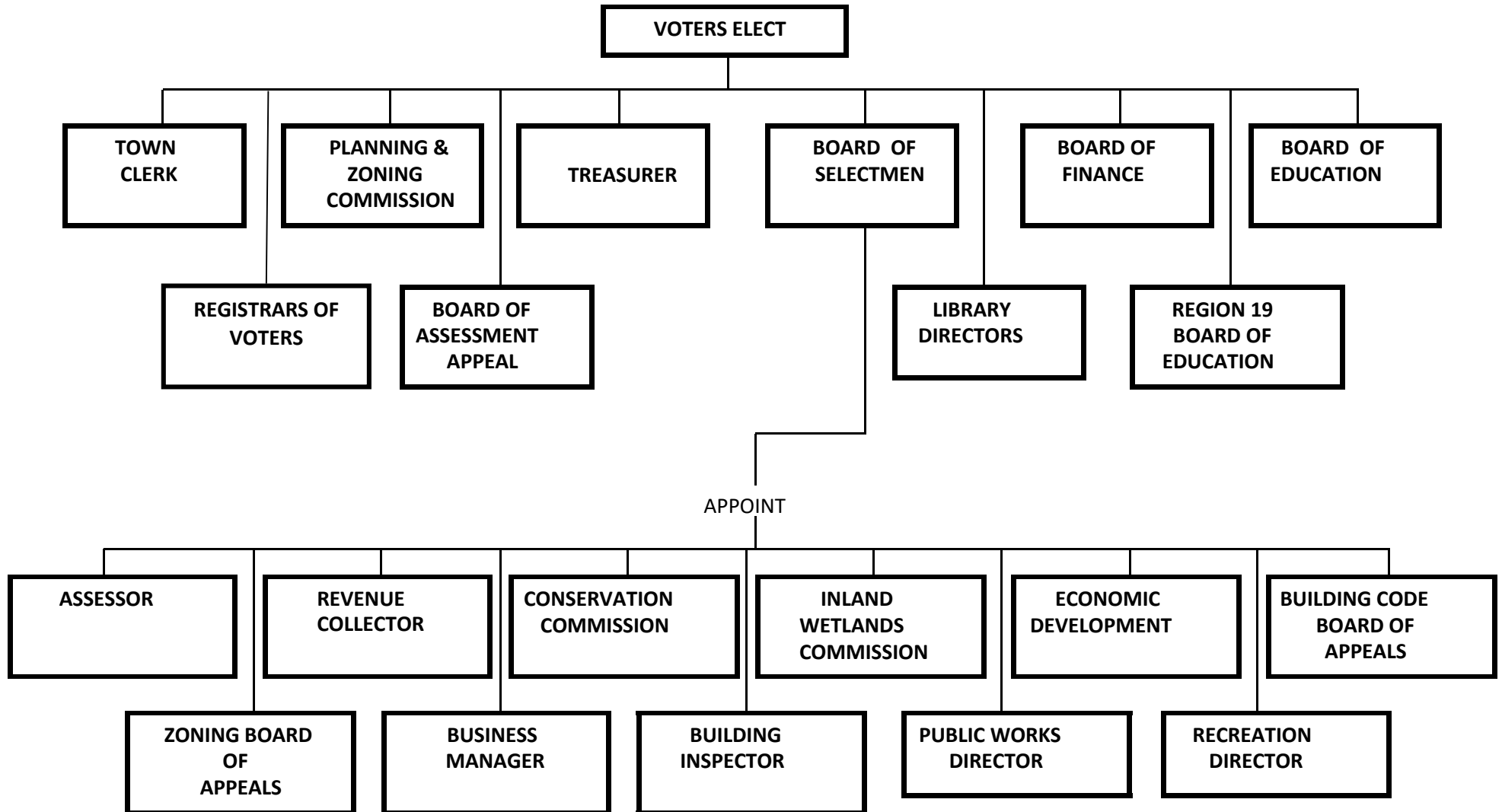
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

**TOWN OF WILLINGTON, CONNECTICUT  
ORGANIZATIONAL CHART (UNAUDITED)  
JUNE 30, 2019**



**TOWN OF WILLINGTON, CONNECTICUT  
PRINCIPAL OFFICIALS  
JUNE 30, 2019**

**TOWN MEETING - BOARD OF SELECTMEN FORM OF GOVERNMENT**

**BOARD OF SELECTMEN**

Erika G. Wiecenski, First Selectwomen  
Aliza Boritz , Selectman  
John Blessington, Selectman

First Selectman.....	Erika G. Wiecenski
Chairman, Board of Finance.....	James Bulick
Town Treasurer.....	Diane Bulick
Business Manager.....	Donna Latincsics
Director of Public Works.....	Troy Sposato
Town Clerk.....	Amy R. Lam
Acting Municipal Collector.....	Janice Clauson
Superintendent of Schools.....	Philip Stevens

**BOARD OF EDUCATION**

Tracey Anderson  
Herbert C. Arico  
Chiara Bambara  
Michelle Cunningham, Chairman  
Ann Grosjean, Vice Chairman  
Stephanie Summers  
Elena Testa

**BOARD OF FINANCE**

Randy L. Belair  
James Bulick, Chairman  
Michael Makuch, Vice Chairman  
Fred Schoen, Alternate  
Bill Rankin, Alternate  
Laurie M. Semprebon  
Peter Tanaka  
Barry Walleth

# Financial Section

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**INDEPENDENT AUDITOR'S REPORT**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Finance  
Town of Willington, 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 Willington, Connecticut (the "Town"), as of and for the year ended June 30, 2019, 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.

#### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Willington, Connecticut, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the information on pages 58 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***


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

The combining and individual fund financial statements and schedules on pages 68 through 86 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section on pages i through viii and the statistical section on pages 87 through 103 have 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 them.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2019, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Certified Public Accountants  
Glastonbury, Connecticut  
December 30, 2019

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**TOWN OF WILLINGTON, CONNECTICUT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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Management of the Town of Willington, Connecticut (the "Town"), offers the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this Comprehensive Annual Financial Report ("Report").

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$16,332,391 (net position). Of this amount, \$4,051,847 represents the Town's unrestricted net position. The Town's total overall net position increased by \$399,245 during the current fiscal year.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$6,244,246, an increase of \$739,555 in comparison with the prior year combined ending fund balance.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was \$2,835,968, or 15.5% of the Town's fiscal year 2020 General Fund budgetary expenditure appropriations of \$17,704,603. Expressed another way, unassigned fund balance of the General Fund was sufficient to cover 1.9 months of General Fund operating expenditures.
- The Town's total long-term debt, consisting of general obligation bonds and capital lease obligations, decreased by \$349,689 during the fiscal year from \$2,238,725 as of June 30, 2018 to \$1,889,036 as of June 30, 2019.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-wide Financial Statements**

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

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

**TOWN OF WILLINGTON, CONNECTICUT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)***

**Government-wide Financial Statements *(Continued)***

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

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

The government-wide financial statements can be found on pages 13 and 14 of this report.

**Fund Financial Statements**

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

**Governmental Funds**

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

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

The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Fire and Ambulance Fund, and the Capital Projects Funds, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 15 through 18 of this report.

**TOWN OF WILLINGTON, CONNECTICUT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)***

**Fund Financial Statements *(Continued)***

**Proprietary Funds**

The Town maintains one type of proprietary fund. Enterprise funds are used to account for the same functions reported as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its Water Utility Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 19 through 21 of this report.

**Fiduciary Funds**

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

The basic fiduciary fund financial statements can be found on pages 22 and 23 of this report.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 57 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information other than this management's discussion and analysis that can be found on pages 58 through 67 of this report. Combining and individual fund statements and schedules can be found on pages 68 through 86 of this report and statistical information can be found starting on page 87.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position**

Over time, net position may serve as one measure of a government's financial position. The Town's total net position totaled \$16,332,391 as of June 30, 2019 and \$15,933,146 as of June 30, 2018.

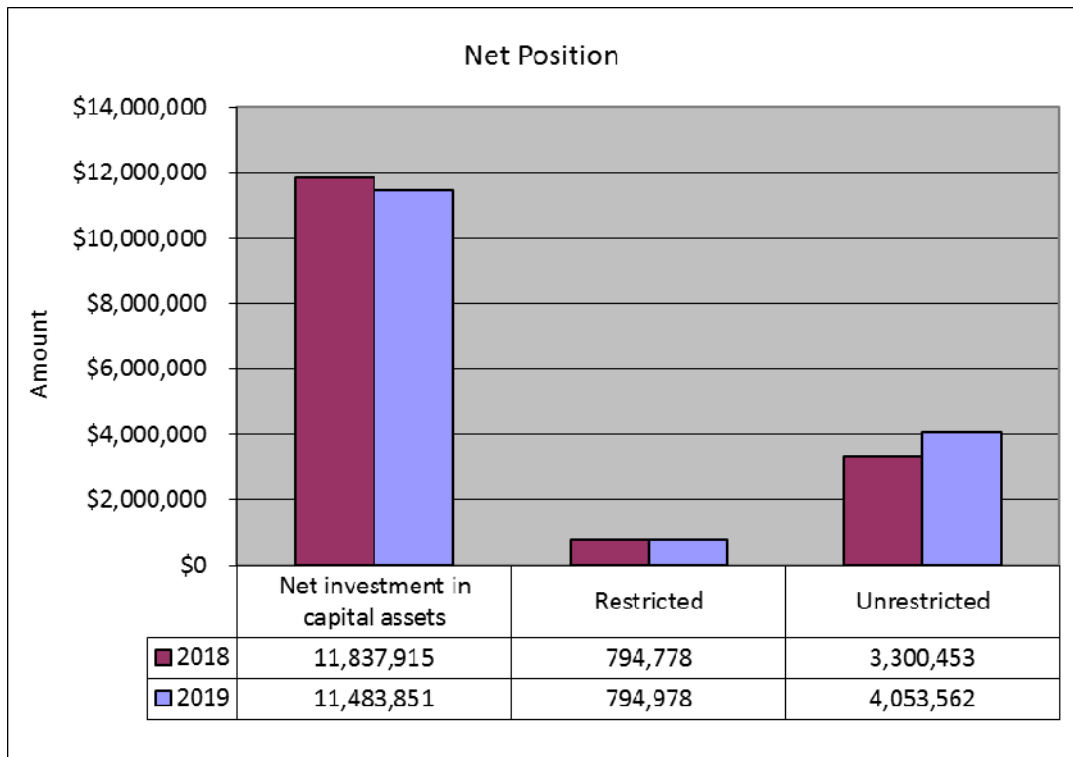
**TOWN OF WILLINGTON, CONNECTICUT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position (Continued)**

The Town's government-wide statement of net position is summarized as follows.

	Governmental	Business-Type	Total		\$ Variance	% Variance
	Activities	Activities	2019	2018		
	2019	2019	2019	2018		
Current and other assets	\$ 7,426,541	\$ 84,787	\$ 7,511,328	\$ 7,347,554	\$ 163,774	2%
Capital assets	12,400,981	976,271	13,377,252	14,079,643	(702,391)	-5%
Total assets	19,827,522	1,061,058	20,888,580	21,427,197	(538,617)	-3%
Deferred outflows of resources	138,206	-	138,206	52,078	86,128	165%
Other liabilities	1,075,235	(11,718)	1,063,517	1,044,013	19,504	2%
Long-term liabilities	-	-	-	3,841,780	(3,841,780)	-100%
Total liabilities	1,075,235	(11,718)	1,063,517	4,885,793	(3,822,276)	-78%
Deferred inflows of resources	95,325	-	95,325	660,336	(565,011)	-86%
Net position:						
Net investment in capital assets	10,507,580	976,271	11,483,851	11,837,915	(354,064)	-3%
Restricted	794,978	-	794,978	794,778	200	0%
Unrestricted	3,957,057	96,505	4,053,562	3,300,453	753,109	23%
Total net position	\$ 15,259,615	\$ 1,072,776	\$ 16,332,391	\$ 15,933,146	\$ 399,245	3%



**TOWN OF WILLINGTON, CONNECTICUT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position (Continued)**

As of June 30, 2019 and 2018, approximately 70.3% and 74.3% of the Town's net position, respectively, reflect the Town's investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

As of June 30, 2019 and 2018, approximately 4.9% and 5.0% of the Town's net position, respectively, are restricted for the purpose of the Town's Small Cities Grant Housing program.

The remainder of the Town's net position is considered unrestricted.

**Changes in Net Position**

Overall, the Town's net position increased by \$399,245 compared to a prior year increase of \$398,649. Changes in net position for the years ended June 30, 2019 and 2018 are as follows.

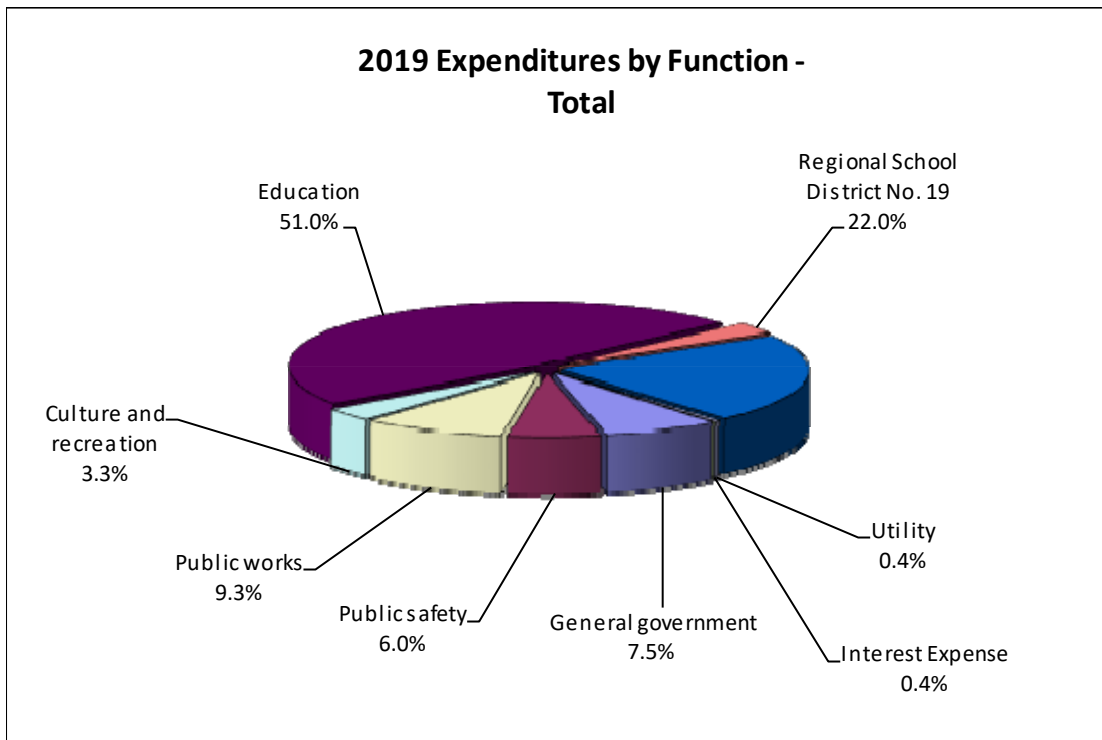
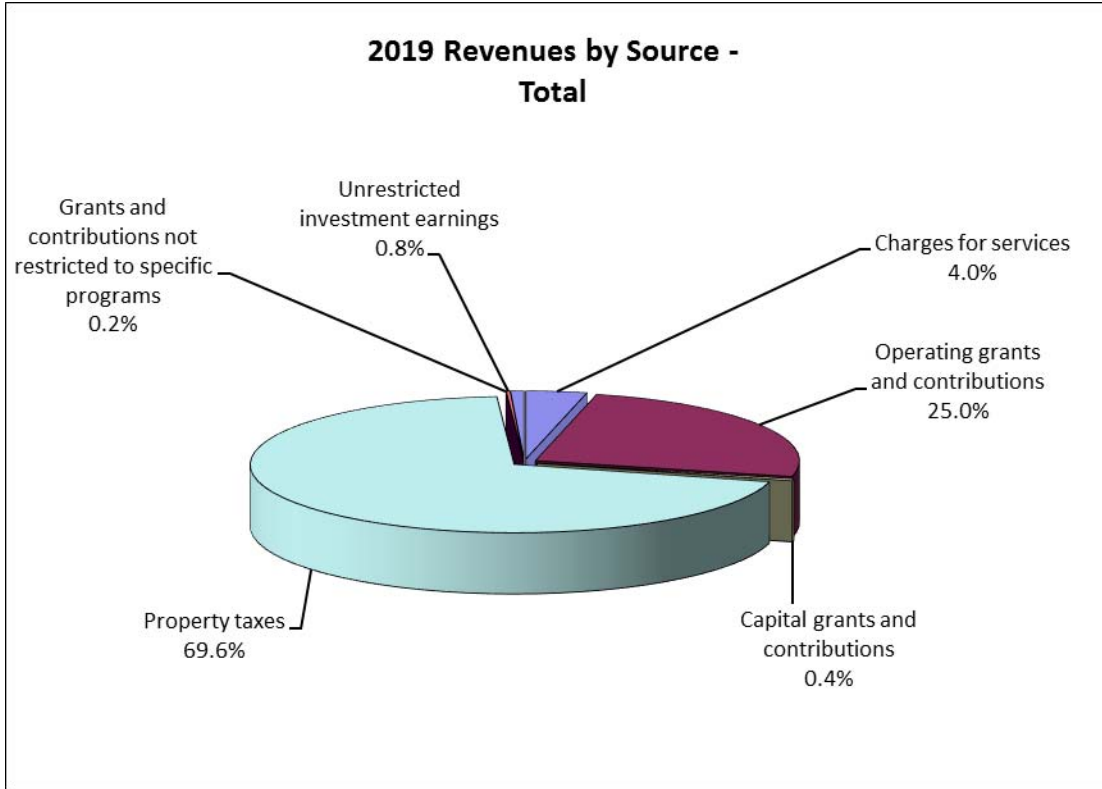
	Governmental	Business-Type	Total		\$ Variance	% Variance
	Activities	Activities	2019	2018		
	2019	2019	2019	2018		
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 708,193	\$ 47,489	\$ 755,682	\$ 690,105	\$ 65,577	9.5%
Operating grants and contributions	4,766,580	-	4,766,580	5,399,080	(632,500)	-11.7%
Capital grants and contributions	70,899	-	70,899	16,762	54,137	323.0%
General revenues:						
Property taxes, levied for general purposes	13,286,675	-	13,286,675	13,353,676	(67,001)	-0.5%
Grants and contributions not restricted to specific programs	43,567	-	43,567	97,415	(53,848)	-55.3%
Unrestricted investment earnings	155,305	116	155,421	77,159	78,262	101.4%
Total revenues	<u>19,031,219</u>	<u>47,605</u>	<u>19,078,824</u>	<u>19,634,197</u>	<u>(555,373)</u>	-2.8%
<b>Expenses</b>						
General government	1,401,894	-	1,401,894	1,129,714	272,180	24.1%
Public safety	1,124,075	-	1,124,075	1,131,041	(6,966)	-0.6%
Public works	1,745,520	-	1,745,520	1,659,918	85,602	5.2%
Culture and recreation	619,422	-	619,422	529,115	90,307	17.1%
Education	8,981,123	-	8,981,123	8,690,605	290,518	3.3%
Education - State Teachers' Retirement	549,744	-	549,744	1,559,522	(1,009,778)	-64.7%
Regional School District No. 19	4,117,765	-	4,117,765	4,374,374	(256,609)	-5.9%
Interest expense	70,052	-	70,052	99,303	(29,251)	-29.5%
Utility	-	69,984	69,984	61,956	8,028	13.0%
Total expenses	<u>18,609,595</u>	<u>69,984</u>	<u>18,679,579</u>	<u>19,235,548</u>	<u>(555,969)</u>	-2.9%
Change in net position	421,624	(22,379)	399,245	398,649	<u>\$ 596</u>	0.1%
Net position - beginning	<u>14,837,991</u>	<u>1,095,155</u>	<u>15,933,146</u>	<u>15,534,497</u>		
Net position - ending	<u>\$ 15,259,615</u>	<u>\$ 1,072,776</u>	<u>\$ 16,332,391</u>	<u>\$ 15,933,146</u>		



**TOWN OF WILLINGTON, CONNECTICUT**  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Changes in Net Position (Continued)**



**TOWN OF WILLINGTON, CONNECTICUT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)***

**Changes in Net Position *(Continued)***

Governmental activities increased the Town's net position by \$421,624 in the current year compared to an increase of \$412,770 in the prior year. Business-type activities decreased the Town's net position by \$22,379 in the current year compared to a decrease of \$14,121 in the prior year.

Total revenues decreased by \$555,373 or 2.8% over the prior year and total expenses decreased by \$555,969 or 2.9%. Revenues and expenses decreased in part due to a \$1,009,778 reduction in the amount of pension and OPEB expense recognized by the State of Connecticut in connection with the Town's participation in the Connecticut Teachers' Retirement System.

**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS**

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

**Governmental Funds**

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$6,244,246, an increase of \$739,555 in comparison with prior year. Of this amount, \$2,835,968 constitutes unassigned fund balance, which is available for spending at the Town's discretion. The remainder of the fund balance is either nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been earmarked for specific purposes.

**General Fund**

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,835,968, while total fund balance was \$3,921,689. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. At the close of the current fiscal year, unassigned fund balance represented 15.5% of the Town's fiscal year 2020 General Fund budgetary expenditure appropriations of \$17,704,603. Expressed another way, unassigned fund balance of the General Fund was sufficient to cover 1.9 months of General Fund operating expenditures.

The fund balance of the Town's General Fund increased by \$586,830 due to favorable budgetary variances discussed below.

**Fire and Ambulance Fund**

The Town's Fire and Ambulance Fund is used to account for the portion of fire and ambulance activities funded by the Town. Fund balance of this fund increased by \$59,149 from \$337,875 as of June 30, 2018 to \$397,024 as of June 30, 2019.

**Capital Projects Fund**

At the end of the current fiscal year, the Town's Capital Projects Fund had a fund balance of \$176,976, an increase of \$95,443 over the prior year.

**TOWN OF WILLINGTON, CONNECTICUT**  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**GENERAL FUND BUDGETARY HIGHLIGHTS**

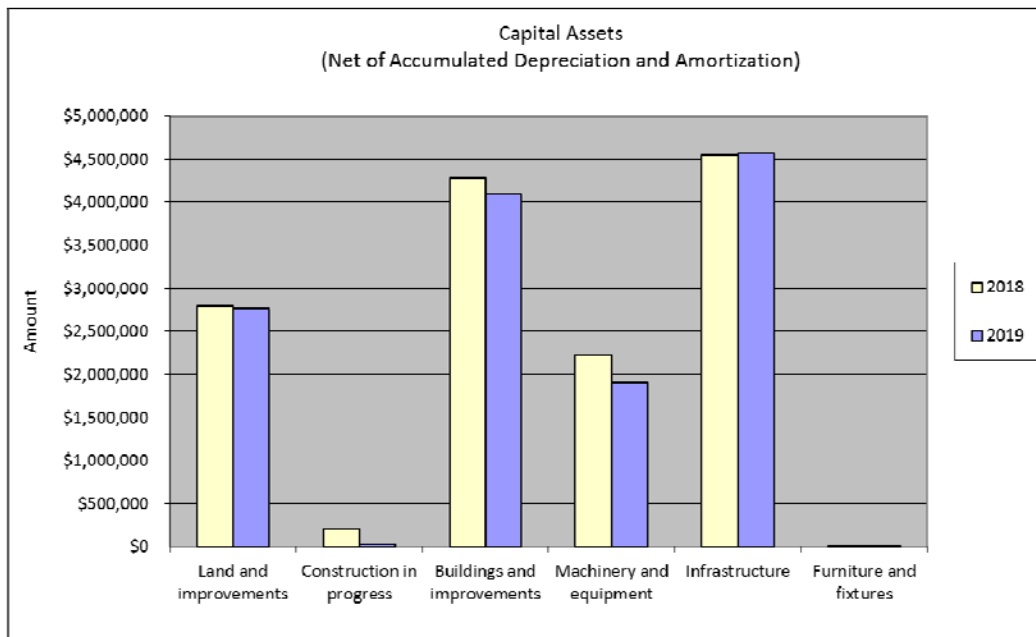
The Town's original and final budget did not contemplate the use of fund balance to balance revenues and expenditures. The actual change in the fund balance was an increase of \$685,925. Actual revenues were \$500,949 more than budgeted and actual expenditures were \$184,976 less than budgeted. The revenue surplus was driven by better than expected property tax collections, conveyance taxes, interest earned on investments as well as an increase in education cost sharing funds provided by the State of Connecticut. Expenditures were under budget across all departments.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The Town's investment in capital assets as of June 30, 2019 and 2018 totaled \$13,377,252 and \$14,079,643 respectively (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, infrastructure, vehicles, furniture and fixtures. The total decrease in the Town's investment in capital assets for the current fiscal year was \$702,391. Major capital asset events during the current fiscal year consisted of depreciation and amortization expense of \$902,241, offset by net capital additions of \$199,850. The following table is a two year comparison of the investment in capital assets:

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land and improvements	\$ 2,765,818	\$ 2,797,303	\$ -	\$ -	\$ 2,765,818	\$ 2,797,303
Construction in progress	31,437	203,529	-	-	31,437	203,529
Buildings and improvements	4,098,760	4,286,835	-	-	4,098,760	4,286,835
Machinery and equipment	1,906,638	2,235,461	-	-	1,906,638	2,235,461
Infrastructure	3,591,977	3,525,046	976,271	1,023,782	4,568,248	4,548,828
Furniture and fixtures	6,351	7,687	-	-	6,351	7,687
<b>Totals</b>	<b>\$ 12,400,981</b>	<b>\$ 13,055,861</b>	<b>\$ 976,271</b>	<b>\$ 1,023,782</b>	<b>\$ 13,377,252</b>	<b>\$ 14,079,643</b>



**TOWN OF WILLINGTON, CONNECTICUT**  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)***

**Capital Assets *(Continued)***

Additional information on the Town's capital assets can be found in Note 4 starting on page 34 of this report.

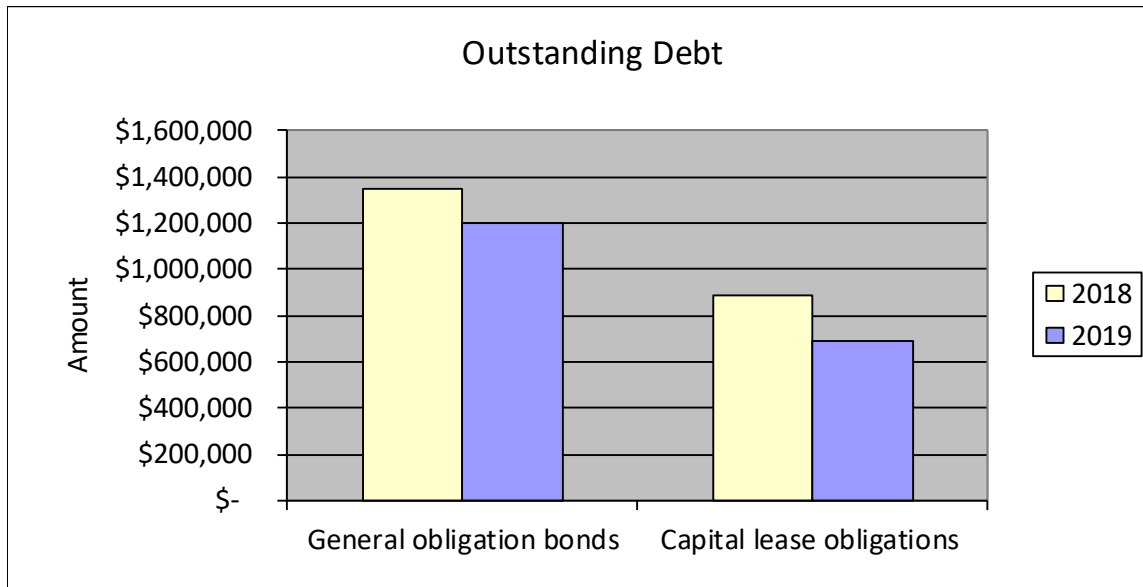
**Long-term Debt**

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$1,200,000. This entire amount is comprised of debt backed by the full faith and credit of the Town. The Town's total bonded debt decreased by \$150,000 during the current fiscal year due to scheduled principal repayments. The Town maintains an Aa3 rating from Moody's Investor Service for general obligation debt. In addition, the Town has total capital lease obligations outstanding as of June 30, 2019 of \$689,036. No new long-term debt was obtained during the current fiscal year.

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

The following table is a two year comparison of long-term bonded debt:

	<b>Governmental Activities</b>				
	<b>2019</b>	<b>2018</b>	<b>\$ Variance</b>	<b>% Variance</b>	
General obligation bonds	\$ 1,200,000	\$ 1,350,000	\$ (150,000)	-11.1%	0.0%
Capital lease obligations	689,036	888,725	(199,689)	-22.5%	0.0%
Totals	<u>\$ 1,889,036</u>	<u>\$ 2,238,725</u>	<u>\$ (349,689)</u>	-15.6%	0.0%



Additional information on the Town's long-term debt can be found in Note 7 starting on page 36 of this report.

**TOWN OF WILLINGTON, CONNECTICUT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

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

- The unemployment rate for the Town compares favorably to the national average unemployment rate and the unemployment rate of the State of Connecticut.
- Significant estimates affecting next year's budget that are subject to change in the near term consist of the following:
  - For purposes of calculating property tax revenues for fiscal year 2020, the assessor's grand list was used along with an estimated tax rate, and an estimated rate of collection, with deductions for taxes to be paid by the State on behalf of certain taxpayers.
  - Intergovernmental grants were based on estimates from the State.
  - It is unknown how changes in market interest rates will impact real estate activity and related revenues collected by the Land Use Department, the Town Clerk and the amount of conveyance taxes and interest income.

The Town utilizes a five year capital improvement plan that projects peaks and valleys of fund balance levels for each year and also determines the amount of expenditures that are affordable for the upcoming year's budget. The Town, in essence, backs into the expenditure increase percentage that is affordable for the upcoming budget using an analysis that allows the Town to review revenues, operating expenditures, debt service expenditures and capital outlays for five years into the future. For peak years of expenditures, the Town determines that revenues plus available surplus are adequate to meet these obligations without the need for spikes in the tax rates.

In April 2019, the Town approved its fiscal year 2020 General Fund budget at a Town-wide Referendum. The approved expenditures in the amount of \$17,704,603 represents an increase of \$631,205 or 3.70% over the prior year. The approved budget resulted in no increase to the Town's current mill rate of 30.09 mills.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town of Willington, Financial Division, 40 Old Farms Road, Willington, CT 06279.

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**BASIC FINANCIAL STATEMENTS**

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**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2019**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,555,989	\$ 84,787	\$ 6,640,776
Investments	27,433	-	27,433
Receivables:			
Property taxes and interest	95,988	-	95,988
Grants and contracts	106,357	-	106,357
Other	8,379	-	8,379
Inventories	1,511	-	1,511
Rehabilitation loans receivable	630,884	-	630,884
Capital assets:			
Non-depreciable	2,515,636	-	2,515,636
Depreciable, net	9,885,345	976,271	10,861,616
Total assets	<u>19,827,522</u>	<u>1,061,058</u>	<u>20,888,580</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges on pension expense	80,656	-	80,656
Deferred charges on OPEB expense	57,550	-	57,550
Total deferred outflows of resources	<u>138,206</u>	<u>-</u>	<u>138,206</u>
<b>LIABILITIES</b>			
Accounts payable	152,124	264	152,388
Accrued liabilities	561,672	-	561,672
Internal balances	11,982	(11,982)	-
Unearned revenue	349,457	-	349,457
Noncurrent liabilities:			
Due within one year	464,062	-	464,062
Due in more than one year	3,071,491	-	3,071,491
Total liabilities	<u>4,610,788</u>	<u>(11,718)</u>	<u>4,599,070</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred charges on pension expense	37,710	-	37,710
Deferred charges on OPEB expense	40,827	-	40,827
Advanced property tax collections	16,788	-	16,788
Total deferred inflows of resources	<u>95,325</u>	<u>-</u>	<u>95,325</u>
<b>NET POSITION</b>			
Net investment in capital assets	10,507,580	976,271	11,483,851
Restricted for rehabilitation loan program	794,978	-	794,978
Unrestricted	3,957,057	96,505	4,053,562
Total net position	<u>\$ 15,259,615</u>	<u>\$ 1,072,776</u>	<u>\$ 16,332,391</u>

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position-		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary Government</b>							
Governmental activities:							
General government	\$ 1,401,894	\$ 252,359	\$ 9,470	\$ -	\$ (1,140,065)	\$ -	\$ (1,140,065)
Public safety	1,124,075	258,303	3,000	-	(862,772)	-	(862,772)
Public works	1,745,520	-	278,364	63,899	(1,403,257)	-	(1,403,257)
Culture and recreation	619,422	91,689	32,104	-	(495,629)	-	(495,629)
Education	8,981,123	105,842	3,893,898	7,000	(4,974,383)	-	(4,974,383)
Education - State Teachers' Retirement	549,744	-	549,744	-	-	-	-
Regional School District No. 19	4,117,765	-	-	-	(4,117,765)	-	(4,117,765)
Interest expense	70,052	-	-	-	(70,052)	-	(70,052)
Total governmental activities	<u>18,609,595</u>	<u>708,193</u>	<u>4,766,580</u>	<u>70,899</u>	<u>(13,063,923)</u>	<u>-</u>	<u>(13,063,923)</u>
Business- type activities:							
Utility - water	<u>69,984</u>	<u>47,489</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,495)</u>	<u>(22,495)</u>
	<u>\$ 18,679,579</u>	<u>\$ 755,682</u>	<u>\$ 4,766,580</u>	<u>\$ 70,899</u>	<u>(13,063,923)</u>	<u>(22,495)</u>	<u>(13,086,418)</u>
General revenues:							
Property taxes, levied for general purposes					13,286,675	-	13,286,675
Grants and contributions not restricted to specific programs					43,567	-	43,567
Unrestricted investment earnings					155,305	116	155,421
Total general revenues					<u>13,485,547</u>	<u>116</u>	<u>13,485,663</u>
					Change in net position	(22,379)	399,245
					Net position - beginning	1,095,155	15,933,146
					<u>Net position - ending</u>	<u>\$ 1,072,776</u>	<u>\$ 16,332,391</u>

*The accompanying notes are an integral part of these financial statements.*



**TOWN OF WILLINGTON, CONNECTICUT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**AS OF JUNE 30, 2019**

	<u>General Fund</u>	<u>Fire and Ambulance Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,822,705	\$ 570,027	\$ 437,840	\$ 725,417	\$ 6,555,989
Investments	27,433	-	-	-	27,433
Receivables:					
Property taxes	95,988	-	-	-	95,988
Interest on property taxes	-	-	-	-	-
Grants and contracts	-	-	57,225	49,132	106,357
Rehabilitation loans	-	-	-	630,884	630,884
Other	4,806	-	-	3,573	8,379
Due from other funds	246,331	34,525	86,363	384,129	751,348
Inventories	-	-	-	1,511	1,511
Total assets	<u>\$ 5,197,263</u>	<u>\$ 604,552</u>	<u>\$ 581,428</u>	<u>\$ 1,794,646</u>	<u>\$ 8,177,889</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 88,393	\$ 49,737	\$ 261	\$ 13,733	\$ 152,124
Accrued liabilities	555,956	-	-	-	555,956
Due to other funds	516,999	157,791	57,225	31,315	763,330
Unearned revenue	1,450	-	346,966	1,041	349,457
Total liabilities	<u>1,162,798</u>	<u>207,528</u>	<u>404,452</u>	<u>46,089</u>	<u>1,820,867</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes and interest	95,988	-	-	-	95,988
Advanced property tax collections	16,788	-	-	-	16,788
Total deferred inflows of resources	<u>112,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,776</u>
<b>FUND BALANCES</b>					
Nonspendable - inventories	-	-	-	1,511	1,511
Restricted for rehabilitation loan program	-	-	-	794,978	794,978
Committed for:					
Capital purposes	-	-	176,976	815,776	992,752
Other purposes	564,017	397,024	-	136,292	1,097,333
Assigned	521,704	-	-	-	521,704
Unassigned	2,835,968	-	-	-	2,835,968
Total fund balances	<u>3,921,689</u>	<u>397,024</u>	<u>176,976</u>	<u>1,748,557</u>	<u>6,244,246</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,197,263</u>	<u>\$ 604,552</u>	<u>\$ 581,428</u>	<u>\$ 1,794,646</u>	<u>\$ 8,177,889</u>

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2019**

Total fund balances for governmental funds		\$ 6,244,246
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		12,400,982
Some of the Town's taxes and interest will be collected after year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as unavailable revenues in the governmental funds.		95,988
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Those liabilities consist of:		
Long-term debt:		
Bonds payable, net	\$ (1,202,650)	
Capital lease obligations	(689,036)	
Accrued interest payable	(5,713)	
Other long-term liabilities:		
Compensated absences	(290,524)	
Landfill post-closure care liability	(36,000)	
Net pension liability	(116,102)	
Total OPEB liability	<u>(1,201,245)</u>	
Total long-term liabilities		(3,541,270)
Deferred outflows of resources resulting from changes in the components of the net pension liability and total OPEB liability are reported in the statement of net position.		<u>59,669</u>
Net position of governmental activities		<u><u>\$ 15,259,615</u></u>

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Fire and Ambulance Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Property taxes	\$13,335,254	\$ -	\$ -	\$ -	\$13,335,254
Intergovernmental	5,069,563	-	63,899	389,950	5,523,412
Charges for services	201,766	227,312	-	192,351	621,429
Investment income	130,008	4,170	9,779	11,348	155,305
Other	49,714	30,000	-	6,601	86,315
Total revenues	<u>18,786,305</u>	<u>261,482</u>	<u>73,678</u>	<u>600,250</u>	<u>19,721,715</u>
<b>EXPENDITURES</b>					
Current:					
General government	1,277,908	-	-	-	1,277,908
Public safety	203,994	755,770	-	28,036	987,800
Public works	1,410,603	-	-	2,411	1,413,014
Culture and recreation	238,469	-	-	209,921	448,390
Education	9,534,567	-	-	500,779	10,035,346
Regional School District No. 19	4,117,765	-	-	-	4,117,765
Debt service:					
Principal payments	233,787	114,187	-	-	347,974
Interest and fiscal charges	60,557	10,085	-	-	70,642
Capital outlays	129,629	23,303	76,753	53,636	283,321
Total expenditures	<u>17,207,279</u>	<u>903,345</u>	<u>76,753</u>	<u>794,783</u>	<u>18,982,160</u>
Excess (deficiency) of revenues over expenditures	1,579,026	(641,863)	(3,075)	(194,533)	739,555
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	701,012	98,518	192,666	992,196
Transfers out	(992,196)	-	-	-	(992,196)
Total other financing sources (uses)	<u>(992,196)</u>	<u>701,012</u>	<u>98,518</u>	<u>192,666</u>	<u>-</u>
Net changes in fund balances	586,830	59,149	95,443	(1,867)	739,555
Fund balances - beginning	<u>3,334,859</u>	<u>337,875</u>	<u>81,533</u>	<u>1,750,424</u>	<u>5,504,691</u>
Fund balances - ending	<u>\$ 3,921,689</u>	<u>\$ 397,024</u>	<u>\$ 176,976</u>	<u>\$ 1,748,557</u>	<u>\$ 6,244,246</u>

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Net change in fund balances for governmental funds \$ 739,555

Total change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. The amount by which capital additions was offset by depreciation and amortization in the current period is as follows:

Expenditures for capital assets	\$	201,815	
Depreciation and amortization expense		(854,729)	
Net adjustment			(652,914)

The statement of activities reports losses arising from the disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on a disposal of capital assets. (1,965)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. The net effect of these differences in the treatment of long-term debt and related items is as follows:

Principal repayments:			
Bonds		150,000	
Obligations under capital lease		199,692	
Net adjustment			349,692

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However, in the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:

Compensated absences		50,973	
Accrued interest		(1,481)	
Net pension liability		(5,746)	
Total OPEB liability		(95,846)	
Amortization of bond premiums		353	
Landfill post-closure costs		6,800	
			(44,947)

Certain revenues reported in the statement of activities do not provide current financial resources and, therefore, are reported as unavailable revenues in the governmental funds. This amount represents the change in unavailable revenue. (48,579)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension liability and total OPEB liability are amortized as a component of pension and OPEB expense in the statement of activities. 80,782

Change in net position of governmental activities \$ 421,624

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**AS OF JUNE 30, 2019**

	<b>Business-Type Activities</b>
	<b>Utility Fund</b>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 84,787
Due from other funds	11,982
Total current assets	96,769
Noncurrent assets:	
Capital assets:	
Depreciable, net	976,271
Total assets	1,073,040
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	264
Total liabilities	264
<b>NET POSITION</b>	
Investment in capital assets	976,271
Unrestricted	96,505
Total net position	\$ 1,072,776

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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	<b>Business-Type Activities</b>
	<b>Utility Fund</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 47,489
Total operating revenues	47,489
<b>OPERATING EXPENSES</b>	
Depreciation expense	47,511
Monitoring pump station	22,473
Total operating expenses	69,984
Operating loss	(22,495)
<b>NONOPERATING REVENUES</b>	
Interest income	116
Change in net position	(22,379)
Net position - beginning	1,095,155
Net position - ending	\$ 1,072,776

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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	<b>Business-Type Activities</b>
	<b>Utility Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 47,489
Payments for operating expenses	(33,651)
Net cash provided by operating activities	13,838
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	116
Net increase in cash and cash equivalents	13,954
Cash and cash equivalents - beginning	70,833
Cash and cash equivalents - ending	\$ 84,787
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (22,495)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	47,511
Change in assets and liabilities:	
Accounts payable	(30)
Due to/from other funds	(11,148)
Net cash provided by operating activities	\$ 13,838

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**AS OF JUNE 30, 2019**

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	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 161,972
Investments:		
Insurance contracts	349,423	-
Certificates of deposit	-	11,744
Other	27,365	-
Total assets	376,788	\$ 173,716
<b>LIABILITIES</b>		
Due to others	-	\$ 173,716
<b>NET POSITION</b>		
Restricted for pension benefits	\$ 376,788	

*The accompanying notes are an integral part of these financial statements.*



**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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	<b>Pension Trust Fund</b>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 18,814
Employee	3,594
Total contributions	22,408
Investment earnings:	
Net increase in the fair value of investments	23,327
Total investment earnings	23,327
Total additions	45,735
 <b>DEDUCTIONS</b>	
Benefit payments	356,027
Total deductions	356,027
Change in net position	(310,292)
Net position restricted for pensions - beginning	687,080
Net position restricted for pensions - ending	\$ 376,788

*The accompanying notes are an integral part of these financial statements.*

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town of Willington, Connecticut (the “Town”), conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

**Financial Reporting Entity**

**History and Organization**

The Town of Willington, Connecticut operates under the provisions of the general statutes of the State of Connecticut. The Board of Selectmen functions as the executive authority of the Town. The First Selectman, who is the chief executive officer, oversees the operations of the Town. The legislative power of the Town is vested in a Town Meeting. The Board of Finance is responsible for presenting a fiscal operating budget to the Town Meeting for approval. The Board of Education is responsible for the operation of the school system.

The Town has considered all agencies, departments, commissions, boards, authorities, and funds to determine the “financial reporting entity” of the Town. The basic financial statements of the Town include only the funds of the Town as no component units exist based on operational or financial relationships with the Town.

**Jointly Governed and Related Organizations**

The Town is a member of Regional School District No. 19 (the “District”), which is located in the Mansfield, Connecticut. The District provides educational services for the grade 9 through 12 populations within its member towns. The activities of the District are primarily supported by assessments made to member towns. Assessments for the Town totaled \$4,117,765 for the year ended June 30, 2019, which represented approximately 22.07% of total member assessments. In addition to annual member assessments, the Town is contingently liable for its pro-rata share of the District’s outstanding bonds (see Note 7). The District is governed by an elected Board of Education and issues publicly available financial reports.

The Town is a member of the Mid-Northeast Recycling Operating Committee (the “Committee”). The Committee was established to provide regional household chemical waste recycling services to member towns. Each member town appoints a representative to serve on the Committee. The activities of the Committee are included as an Agency Fund in the basic financial statements of the Town of Mansfield, Connecticut.

The Town is a member of the Eastern Highlands Health District (the “District”). The District is a governmental entity established under Connecticut statutes for the purpose of providing local public health services. Each member town appoints a representative to serve on the Board of Directors of the District. The District issues publicly available financial reports.

The Town is responsible for appointing members to the Board of the Willington Housing Authority. The Town’s accountability for this organization does not extend beyond making the appointments.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Government-wide and Fund Financial Statements**

**Government-wide Financial Statements**

The statement of net position and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. The statements are intended to distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

**Fund Financial Statements**

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The Town reports the following major governmental funds:

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

**Fire and Ambulance Fund** - To account for the revenues and expenditures associated with the Town's volunteer fire, ambulance services and emergency management assistance departments.

**Capital Projects Fund** - This fund is used to account for revenues and expenditures associated with the construction of Town facilities and infrastructure.

The Town reports the following proprietary fund:

**Utility Fund** - This enterprise fund is used to account for the operations of the Town's water facility similar to those often found in the private sector. These funds are accounted for on the accrual basis of accounting.

In addition, the Town reports the following fiduciary fund types:

**Pension Trust Fund** - This fund is used to account for resources held in trust for the members and beneficiaries of the Town's defined benefit pension plan.

**Agency Funds** - These funds are used to account for resources held by the Town in a purely custodial capacity. The Town utilizes these funds to account for assets held for student activities, contractor bonds, employees and others.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Measurement Focus and Basis of Accounting**

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 or economic resources. 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. 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.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, 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 lease are reported as other financing sources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount has been received during the period or is available to be received by the Town within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when the cash is received.

The proprietary and pension trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Utility Fund are charges to customers for services. Operating expenses for proprietary funds include the cost of monitoring pump stations and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Implementation of New Accounting Standards**

Effective July 1, 2018, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The adoption of this statement did not have a material effect on the Town's financial statements.

Effective July 1, 2018, the Town adopted the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*. GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). The Statement established criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The adoption of this statement did not have a material effect on the Town's financial statements.

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

**Cash and Cash Equivalents**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**Investments**

Investments are measured by the Town at fair value (generally based on quoted market prices), except for investments in certain external investment pools and guaranteed investment contracts as described below.

Investments in certain external investment pools consist of money market mutual funds and the Short-Term Investment Fund (STIF), which is managed by the State of Connecticut Treasurer's Office. Investments in these types of funds, which are permitted to measure their investment holdings at amortized costs, are measured by the Town at the net asset value per share as determined by the pool.

Investments in pooled separate accounts consist of insurance contracts. Investments in these types of contracts are measured by the Town at contract value.

**Property Taxes**

Property taxes are assessed as of October 1 and are levied on the following July 1. Real estate and personal property taxes are due in two installments, July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on January 1. Taxes become delinquent thirty days after the installment is due and liens are filed on delinquent real estate taxes within one year.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity *(Continued)***

**Inventories**

Inventories are reported at cost using the first-in first-out (FIFO) method, except for USDA donated commodities, which are recorded at market value. Inventories are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include property, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 for infrastructure assets, more than \$500 for technology equipment and more than \$1,000 for all other assets and an estimated useful life of at least 10 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 a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20-50
Buildings and improvements	20-50
Machinery and equipment	10
Vehicles	10
Infrastructure	12-50
Furniture and fixtures	10

**Unearned Revenue**

Unearned revenue represents a liability for resources that have been received but not yet earned.

**Compensated Absences**

Eligible employees can accumulate vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement pursuant to the terms of the applicable union contract. Sick leave and vacation leave expenditures are recognized in the governmental fund financial statements in the current year to the extent they have matured; that is, only the amounts of reimbursable unused vacation leave or sick leave payable to employees who had terminated their employment as of the end of the fiscal year are recognized. Amounts are typically liquidated by the General Fund.

Vacation and sick leave benefits to be paid in future periods are accrued when earned by employees in the government-wide financial statements.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Assets, Liabilities, Deferred Outflow and Inflows of Resources and Net Position/Fund Equity *(Continued)***

**Deferred Outflows/Inflows of Resources**

Deferred outflows and inflows of resources represents a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow or inflow of resources until that time.

Deferred outflows of resources consists of deferred charges on pension expense reported in the government-wide statement of net position. Deferred charges on pension expense are amortized as a component of pension expense on a systematic and rational basis.

Deferred inflows of resources consist of revenue that is considered unavailable under the modified accrual basis of accounting and deferred charges on pension and OPEB expenses. Unavailable revenue is reported in the governmental funds balance sheet and is recognized as inflows of resources in the period that the amounts become available. Deferred charges on pension and OPEB expenses are reported in the government-wide statement of net position and are amortized as a component of pension and OPEB expenses on a systematic and rational basis.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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

**Net Position/Fund Balance**

The government-wide statement of net position presents the Town's non-fiduciary assets and liabilities, with the difference reported as net position. Net position is reported in three categories:

***Net investment in capital assets*** - This category consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

***Restricted net position*** - This category consists of the portion of the net position whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

***Unrestricted net assets*** - This category consists of the portion of the net position, which does not meet the definition of the two preceding categories.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity *(Continued)***

The Town's governmental funds report the following fund balance categories:

***Nonspendable*** - Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

***Restricted*** - Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

***Committed*** - Amounts can only be used for specific purposes pursuant to constraints adopted by a formal resolution by Town Meeting (the highest level of decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action. The formal action required to be taken by Town Meeting to commit fund balance includes formal voting procedures.

***Assigned*** - Amounts are constrained by the government's intent to be used for specific purposes, but are not restricted or committed. The Town Treasurer has been authorized by the Board of Finance to assign Fund Balance as needed to meet the obligations of the Town, with the exception of those amounts assigned by the Board of Finance during the Town's annual budgeting process.

***Unassigned*** - Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories.

The Town does not have a formal policy over the use of net position and fund balance. In accordance with the applicable accounting guidance, the Town uses restricted resources first, then unrestricted resources as needed. Unrestricted resources are used in the following order: committed; assigned; then unassigned.

**Interfund Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

**Interfund Services Provided and Used**

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

**Interfund Transfers**

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers.



**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

**Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity *(Continued)***

**Interfund Reimbursements**

Interfund reimbursements represent repayments from the funds responsible for particular expenditures, or expenses, to the funds that initially paid for them.

**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 and disclosures in the financial statements. Actual results could differ from those estimates.

**NOTE 2 - CASH DEPOSITS AND INVESTMENTS**

**Cash Deposits**

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2019, \$1,357,702 of the Town's bank balance of \$1,815,392 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 1,221,932
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	135,770
	\$ 1,357,702

All of the Town's deposits are in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

A reconciliation of the Town's cash deposits as of June 30, 2019 is as follows:

<b>Government-wide statement of net position:</b>	
Cash and cash equivalents	\$ 6,640,776
<b>Statement of fiduciary net position:</b>	
Cash and cash equivalents	161,972
Add: certificates of deposit classified as investments	39,177
Less: investments classified as cash equivalents	(5,236,500)
Total cash deposits	\$ 1,605,425

**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 2 - CASH DEPOSITS AND INVESTMENTS *(Continued)***

**Investments**

A reconciliation of the Town's investments as of June 30, 2019 is as follows:

<b>Government-wide statement of net position:</b>	
Investments	\$ 27,433
<b>Statement of fiduciary net position:</b>	
Investments	361,167
Less: certificates of deposit classified as investments	(39,177)
Add: investments classified as cash equivalents	<u>5,236,500</u>
	<u><u>\$ 5,585,923</u></u>

As of June 30, 2019, the Town's investments consisted of the following:

Investment Type	Valuation Basis	Credit Rating	Value	Investment Maturities (In Years) Less Than 1
<b>Debt Securities:</b>				
<b><i>Government-wide statement of net position:</i></b>				
Short-term Investment Fund (STIF)	Net asset value	AAA	\$ 5,236,500	<u>\$ 5,236,500</u>
<b>Other Investments:</b>				
<b><i>Statement of fiduciary net position:</i></b>				
Pooled separate accounts	Contract value		<u>349,423</u>	
			<u><u>\$ 5,585,923</u></u>	

Because investments in the Short-term Investment Fund have a weighted average maturity of less than 90 days, it has been presented as an investment with a maturity of less than one year.

**Interest Rate Risk**

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

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 2 - CASH DEPOSITS AND INVESTMENTS *(Continued)***

**Investments *(Continued)***

**Credit Risk**

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut state statutes. Connecticut state statutes permit the Town to invest in (1) obligations of the United States, including its instrumentalities and agencies; (2) in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; (3) in 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; (4) or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. Other provisions of the statutes cover specific municipal funds with particular investment authority. The provisions of the statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, the investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. The Town's investments in external investment pools and insurance contracts are not evidenced by securities and are therefore not exposed to custodial credit risk.

**Concentrations of Credit Risk**

The Town places no limit on the amount of investment in any one issuer. As of June 30, 2019, all of the Town's investments within the government-wide statement of net position were invested in the Short-term Investment Fund, which is managed by the State of Connecticut Treasurer's Office. As of June 30, 2019, more than 10% of the Town's investments within the fiduciary statement of net position were invested in the following:

<u>Issuer</u>	<u>Investment</u>	<u>Value</u>	<u>% of Fiduciary Investments</u>
Voya Retirement Insurance and Annuity Company	GAC - Lord Abbett Fundamental Equity - R3	\$ 109,083	30.2%
Voya Retirement Insurance and Annuity Company	GAC - American Funds Fundamental Investors - R3	111,638	30.9%
Voya Retirement Insurance and Annuity Company	GAC - Fixed Account	128,702	35.6%

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS (Continued)  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 3 - REHABILITATION LOANS**

The Town administers a Residential Rehabilitation Loan Program for low to moderate income families. The loans bear an interest rate of 0%. Repayment of the loans is deferred, but the loans become due and payable upon sale or transfer of the property, the owner's demise, or when the subject property is no longer the applicant's principal place of residence. The notes may be paid in full or in part by the borrower at any time without penalty. As of June 30, 2019, loans receivable totaled \$630,884 under this program.

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the Town's governmental activities for the year ended June 30, 2019 consisted of the following:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 2,484,199	\$ -	\$ -	\$ 2,484,199
Construction in progress	203,529	17,503	(189,595)	31,437
Total capital assets, not being depreciated	<u>2,687,728</u>	<u>17,503</u>	<u>(189,595)</u>	<u>2,515,636</u>
Capital assets, being depreciated:				
Land improvements	627,768	-	-	627,768
Buildings and improvements	14,403,507	11,846	-	14,415,353
Vehicles, machinery and equipment	5,025,764	114,562	(31,171)	5,109,155
Infrastructure	26,679,329	245,097	-	26,924,426
Furniture and fixtures	405,381	2,402	(1,375)	406,408
Total capital assets, being depreciated	<u>47,141,749</u>	<u>373,907</u>	<u>(32,546)</u>	<u>47,483,110</u>
Less accumulated depreciation:				
Land improvements	314,664	31,485	-	346,149
Buildings and improvements	10,116,672	199,921	-	10,316,593
Vehicles, machinery and equipment	2,790,303	441,420	(29,206)	3,202,517
Infrastructure	23,154,283	178,166	-	23,332,449
Furniture and fixtures	397,694	3,738	(1,375)	400,057
Total accumulated depreciation	<u>36,773,616</u>	<u>854,730</u>	<u>(30,581)</u>	<u>37,597,765</u>
Total capital assets, being depreciated, net	<u>10,368,133</u>	<u>(480,823)</u>	<u>(1,965)</u>	<u>9,885,345</u>
Governmental activities capital assets, net	<u>\$ 13,055,861</u>	<u>\$ (463,320)</u>	<u>\$ (191,560)</u>	<u>\$ 12,400,981</u>

Capital asset activity for the Town's business-type activities for the year ended June 30, 2019 consisted of the following:

	Ending Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital assets, being depreciated:				
Infrastructure	\$ 1,526,633	\$ -	\$ -	\$ 1,526,633
Total capital assets, being depreciated	<u>1,526,633</u>	<u>-</u>	<u>-</u>	<u>1,526,633</u>
Less accumulated depreciation:				
Infrastructure	502,851	47,511	-	550,362
Total accumulated depreciation	<u>502,851</u>	<u>47,511</u>	<u>-</u>	<u>550,362</u>
Total capital assets, being depreciated, net	<u>1,023,782</u>	<u>(47,511)</u>	<u>-</u>	<u>976,271</u>
Business-type activities capital assets, net	<u>\$ 1,023,782</u>	<u>\$ (47,511)</u>	<u>\$ -</u>	<u>\$ 976,271</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 4 - CAPITAL ASSETS *(Continued)***

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

Governmental Activities:		
General government	\$	76,410
Public safety		136,275
Public works		326,529
Culture and recreation		161,398
Education		154,118
Total depreciation and amortization expense - governmental activities		\$ 854,730
Business-type Activities:		
Utility - water	\$	47,511
Total depreciation and amortization expense - business-type activities		\$ 47,511

**NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at June 30, 2019 are as follows:

Receivable Fund	Payable Fund	Amount
<b>Governmental Funds</b>		
General Fund	Nonmajor Governmental Funds	\$ 31,315
	Capital Projects Fund	57,225
	Fire and Ambulance Fund	157,791
		246,331
Capital Projects Fund	General Fund	86,363
Fire and Ambulance Fund	General Fund	34,525
Nonmajor Governmental Funds	General Fund	384,129
<b>Proprietary Funds</b>		
Utility Fund	General Fund	11,982
Total due from/to other funds		\$ 763,330

The above balances resulted 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.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 6 - INTERFUND TRANSFERS**

The following is a summary of interfund transfers for the year ended June 30, 2019:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
<b>Governmental Funds</b>		
Capital Projects Fund	General Fund	\$ 98,518
Fire and Ambulance Fund	General Fund	701,012
Nonmajor Governmental Funds	General Fund	192,666
Total transfers		<u>\$ 992,196</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) account for unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 7 - LONG-TERM DEBT**

The applicable accounting standards define debt as a liability that arises from a contractual obligation to pay cash, or other assets that may be used in lieu of cash, in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For disclosure purposes, debt does not include accounts payable or leases, except for contracts reported as financed purchase of the underlying asset.

The following is a summary of changes in long-term debt for the year ended June 30, 2019:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds payable:					
General obligation bonds	\$ 1,350,000	\$ -	\$ (150,000)	\$ 1,200,000	\$ 150,000
Unamortized bond premium	3,003	-	(353)	2,650	-
Total bonds payable	1,353,003	-	(150,353)	1,202,650	150,000
Capital leases from direct borrowings	888,725	-	(199,689)	689,036	202,662
	<u>\$ 2,241,728</u>	<u>\$ -</u>	<u>\$ (350,042)</u>	<u>\$ 1,891,686</u>	<u>\$ 352,662</u>

Long-term liabilities typically have been liquidated in the General and Other Governmental Funds.

**General Obligation Bonds**

A summary of general obligation bonds outstanding at June 30, 2019 is as follows:

<u>Bond Issue</u>	<u>Final Maturity Dates</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
<b>Governmental Activities</b>			
2006 General obligation bonds	2027	3.625 - 5.5%	<u>\$ 1,200,000</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 7 - LONG-TERM DEBT *(Continued)***

**General Obligation Bonds *(Continued)***

Annual debt service requirements to maturity on general obligation bonds are as follows as of June 30, 2019:

Year ending June 30:	<b>Governmental Activities</b>	
	<b>General Obligation Bonds</b>	
	<b>Principal</b>	<b>Interest</b>
2020	\$ 150,000	\$ 45,000
2021	150,000	39,000
2022	150,000	33,000
2023	150,000	27,000
2024	150,000	21,000
2025-2028	450,000	27,000
	\$ 1,200,000	\$ 192,000

**Shared Debt**

The Town is contingently liable for its pro-rata share of Regional School District No. 19's (the "District") outstanding bonds. As of June 30, 2019, the District's outstanding bonds totaled \$1,240,000, with 22.11%, or \$239,894 representing the Town's share. Regional School District No. 19 has authorized, unissued bonds, totaling \$5,250,000, of which 81.43% or \$4,275,075 is expected to be reimbursed by a school construction grant from the State of Connecticut. The net portion representing the Town's share of authorized, unissued bonds totaled \$215,556.

**Legal Debt Limit**

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2019.

**Capital Leases from Direct Borrowings**

Capital leases from direct borrowings include non-appropriation clauses and provide the obligor with a security interest in the underlying equipment in the event of default.

A summary of assets acquired through capital leases outstanding is as follows as of June 30, 2019:

	<b>Governmental Activites</b>
Machinery and equipment	\$ 791,686
Vehicles	695,275
	1,486,961
Less: accumulated amortization	1,153,670
	\$ 333,291

Amortization expense relative to leased property under capital leases totaled \$198,999 for the year ended June 30, 2019 and is included in depreciation and amortization expense disclosed in Note 4.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 7 - LONG-TERM DEBT *(Continued)***

**Capital Leases from Direct Borrowings *(Continued)***

Future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2019 are as follows:

Year ending June 30:	<b>Governmental Activites</b>
2020	\$ 217,801
2021	197,878
2022	153,232
2023	122,171
2024	33,349
Total minimum lease payments	724,431
Less: amount representing interest	35,395
Present value of minimum lease payments	<u>\$ 689,036</u>

**NOTE 8 - OTHER LONG-TERM LIABILITIES**

Change in other long-term liabilities for the year ended June 30, 2019 are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Other liabilities:					
Compensated absences	\$ 341,497	\$ 4,560	\$ (55,533)	\$ 290,524	\$ 102,600
Landfill post-closure care liability	42,800	-	(6,800)	36,000	8,800
Net pension liability (see Note 9)	110,356	5,746	-	116,102	-
Total OPEB liability <i>(see Note 10)</i>	<u>1,105,399</u>	<u>95,846</u>	<u>-</u>	<u>1,201,245</u>	<u>-</u>
	<u>\$ 1,600,052</u>	<u>\$ 106,152</u>	<u>\$ (62,333)</u>	<u>\$ 1,643,871</u>	<u>\$ 111,400</u>

**Landfill Post-Closure Care Liability**

The Town landfill has been closed. State and federal laws and regulations require continued monitoring of closed landfills. Estimated monitoring costs of \$6,800 per year for the next 6 years total \$36,000 at June 30, 2019. These amounts are based on estimates, which are subject to change due to inflation, technology or changes in applicable laws and regulations.



**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 9 - PENSION PLANS**

**Defined Benefit Plan**

**Plan Description**

*Plan administration* - The Town administers a single-employer defined benefit pension plan that provides pensions for all employees of the Town who have attained age 18, excluding Board of Education employees and appointed or elected officials. The Plan is considered to be part of the Town's financial reporting entity. The Plan does not issue a publicly available financial report.

*Plan Membership* - At June 30, 2019, pension plan membership consisted of 2 active members.

*Benefits provided* - The Town provides retirement and death benefits. Retirement benefits for plan members are calculated as 1.667% of the member's highest 5-year average salary, excluding compensation earned in the last 5 years prior to retirement, times the member's years of service. Plan members are eligible to retire at age 65. Death benefits equal up to 100 times the participant's anticipated monthly pension and are provided by insurance policies purchased by the Plan.

*Contributions* - The Town establishes contribution rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Town is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended June 30, 2019, the actuarially determined contribution was \$17,011 and the actual contribution was \$18,814.

**Summary of Significant Accounting Policies**

*Investment policy* - The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Town. It is the policy of the Town to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the target asset allocation as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	60.0%
Fixed Income	30.0%
Insurance Contracts	10.0%

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 9 - PENSION PLANS *(Continued)***

**Defined Benefit Plan *(Continued)***

**Plan Description *(Continued)***

*Concentrations* - As of June 30, 2019, more than 10% of the Town's investments within the Pension Trust Fund were invested in the following:

<u>Issuer</u>	<u>Investment</u>	<u>Value</u>	<u>% of Fiduciary Investments</u>
Voya Retirement Insurance and Annuity Company	GAC - Lord Abbett Fundamental Equity - R3	\$ 109,083	30.2%
Voya Retirement Insurance and Annuity Company	GAC - American Funds Fundamental Investors - R3	111,638	30.9%
Voya Retirement Insurance and Annuity Company	GAC - Fixed Account	128,702	35.6%

*Rate of return* - For the year ended June 30, 2019 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 4.48%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability**

The components of the net pension liability of the Town Plan as June 30, 2019 were as follows:

Total pension liability	\$ 492,890
Plan fiduciary net position	<u>(376,788)</u>
Town's net pension liability - Town Plan	<u>\$ 116,102</u>
 Plan fiduciary net position as a percentage of the total pension liability	 76.44%

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 9 - PENSION PLANS *(Continued)***

**Defined Benefit Plan *(Continued)***

**Net Pension Liability *(Continued)***

The components of the change in the net pension liability of the Town Plan for the year ended June 30, 2019 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2018	\$ 797,436	\$ 687,080	\$ 110,356
<b>Changes for the year:</b>			
Service cost	10,585	-	10,585
Interest	44,101	-	44,101
Actuarial (gains) losses	(3,205)	-	(3,205)
Contributions - employer	-	18,814	(18,814)
Contributions - employee	-	3,594	(3,594)
Net investment income	-	23,327	(23,327)
Benefit payments, including refunds	(356,027)	(356,027)	-
Administrative expense	-	-	-
<b>Net changes</b>	(304,546)	(310,292)	5,746
Balance as of June 30, 2019	\$ 492,890	\$ 376,788	\$ 116,102

*Actuarial assumptions* - The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods in the measurement.

Inflation	2.0%
Salary increases	4.0%, average, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Mortality rates were based on the 2019 Combined Unisex Applicable Mortality Table from Notice 2013-49.

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

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 9 - PENSION PLANS *(Continued)***

***Defined Benefit Plan (Continued)***

**Net Pension Liability *(Continued)***

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	60.0%	8.0%
Fixed Income	30.0%	4.0%
Insurance Contracts	10.0%	1.0%

*Discount rate* - The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the 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 following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount (7.0%)</u>	<u>1% Increase (8.0%)</u>
Town Plan's net pension liability as of June 30, 2019	\$ 155,788	\$ 116,102	\$ 77,549

**Pension Expense and Deferred Outflows and Inflows of Resources**

The Town recognized pension expense of \$5,331 for the year ended June 30, 2019.

At June 30, 2019, the Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
Differences between expected and actual experience	\$ 29,839	\$ (27,466)	\$ 2,373
Changes of assumptions	25,489	(10,244)	15,245
Net difference between projected and actual earnings on pension plan investments	25,328	-	25,328
Total	<u>\$ 80,656</u>	<u>\$ (37,710)</u>	<u>\$ 42,946</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 9 - PENSION PLANS *(Continued)***

**Defined Benefit Plan *(Continued)***

**Pension Expense and Deferred Outflows and Inflows of Resources *(Continued)***

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

Year ended June 30,		
2020	\$	11,196
2021		5,507
2022		9,044
2023		10,101
2024		2,630
Thereafter		4,468
	\$	<u>42,946</u>

**Payable to the Pension Plan**

At June 30, 2019, there was no outstanding Town contributions to the pension plan required for the year ended June 30, 2019.

**Connecticut State Teachers' Retirement System**

**Plan Description**

The faculty and professional personnel of the Town's Board of Education participates in the State of Connecticut's Teachers' Retirement System ("TRS"), which is a cost sharing multiple-employer defined benefit pension plan that provides retirement, disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statute ("CGS") Title 10, Chapter 167a and is administered by the Connecticut State Teachers' Retirement Board (the "Board"). The TRS is included as a fiduciary pension trust fund in the State of Connecticut's Comprehensive Annual Financial Report and the Board issues publicly available financial reports. These reports can be obtained from the Connecticut Office of the State Comptroller.

**Benefit Provisions**

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

*Normal Retirement:* Retirement benefits for the employees are calculated as 2.0% of the average annual salary times the years of credited service (maximum benefit is 75.0% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of the 6.0% contributions made prior to July 1, 1989 and voluntary contributions are payable.

*Early Retirement:* Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6.0% per year for the first five years preceding normal retirement age and 4.0% per year for the next five years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.0% per year by which retirement precedes normal retirement date.

**NOTE 9 - PENSION PLANS *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Benefit Provisions *(Continued)***

*Minimum Benefit:* Effective January 1, 1999, Public Act 98-251 provides a minimum monthly benefit of \$1,200 to teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service at retirement.

*Disability Retirement:* There is no service requirement if incurred in the performance of duty. Employees are eligible for five years of credited service if not incurred in the performance of duty. 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.

A plan member who leaves service and has attained 10 years of service will be entitled to 100% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued work until age 60.

*Pre-Retirement Death Benefit:* The plan also offers a lump-sum return of contributions with interest or surviving spouse benefit depending on length of service.

**Contributions**

Per CGS 10-183z, contribution requirements of active employees and the State are amended and certified by the 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 amounts to finance any unfunded accrued liability.

In accordance with CGS Section 10-183z, the District does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute 100% of an employer's contributions on-behalf of its participating municipalities at an actuarially determined rate. Effective January, 1, 2018, active employees are required to contribute 7.0%, previously 6.0%, of their annual earnings to the plan.

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

**Administrative Expenses**

Administrative costs of the plan are funded by the State.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 9 - PENSION PLANS *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Basis of Presentation**

The collective net pension liability, deferred outflows and inflows of resources, and pension expense for the TRS has been measured as of June 30, 2018 based on an actuarial valuation performed as of June 30, 2018. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of the June 30, 2018 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2019 and for reporting the proportionate share of the collective net pension liability that is attributed to the Town as of June 30, 2019.

**Allocation Methodology**

The schedule of employer allocations for the TRS was calculated based upon the fiscal year 2018 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. For fiscal year 2018, the Town's expected contribution effort for allocation purposes totaled \$1,159,491 or 0.091% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures of the General Fund for the year ended June 30, 2019.

The components associated with the collective pension expense and deferred outflows and inflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2018. The portion of the collective pension expense allocated to the Town totaled \$1,346,460.

The total collective net pension liability of participating employers for the TRS was approximately \$13.164 billion as of the June 30, 2018 measurement date. The portion attributed to the Town totaled \$11,997,078 or approximately 0.091% of the total collective net pension liability.

**Actuarial Assumptions**

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

Inflation	2.75%
Salary increases	3.25% - 6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation
Administrative expenses	\$0 assumption as expenses are paid for by the General Assembly

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

**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 9 - PENSION PLANS *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Actuarial Assumptions *(Continued)***

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

**Long-Term Rate of Return**

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap U.S. Equities	21.0%	5.8%
Developed Non-U.S. Equities	18.0%	6.6%
Emerging Markets (Non-U.S.)	9.0%	8.3%
Real Estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Core fixed income	7.0%	1.3%
High Yield Bonds	5.0%	3.9%
Emerging market bond	5.0%	3.7%
Inflation linked bond fund	3.0%	1.0%
Cash	6.0%	0.4%
	<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 the State 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.



**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 9 - PENSION PLANS *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Proportionate Share of the Collective Net Pension Liability**

The following presents the proportionate share of the net pension liability attributed to the Town as of the June 30, 2018 measurement date, calculated using a discount rate of 8.00%, as well as what the proportionate share of the net pension liability attributed to the Town 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:

	<b>1.00% Decrease (7.00%)</b>	<b>Current Rate (8.00%)</b>	<b>1.00% Increase (9.00%)</b>
Town's proportionate share of the net pension liability (rounded to nearest thousand)	\$ 15,162,000	\$ 11,997,000	\$ 9,320,000

**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**Board of Education Plan**

**Plan Description**

The Town, in accordance with various collective bargaining and employment agreements, is committed to provide health benefits to certain eligible retirees and their spouses. Teachers covered under the union contract are eligible to receive other post-employment benefits. The Town Board of Education pays 1% per every year of service of the post-retirement costs for teachers hired before September 1, 1989 for five years until the retiree reaches age 65. Actuarial valuations involve estimates of the fair value of reported amounts and assumptions about the probability of occurrence of future events. Assumptions include future employment, mortality, and healthcare and other cost trends.

**Benefits Provided**

The benefits include individual, two person, or family coverage under the Connecticare Health Plan (or equivalent), including hospitalization, surgical, prescriptions, dental and major medical. Eligible teachers, who choose to participate, must pay the same percentage of the premium cost as full time employees covered by this agreement, less the 1% per year of service contribution paid by the Town.

Currently, the State Teachers' Retirement Board will subsidize a portion of the monthly payments for a member or for a member and a spouse. P.A. 08-112 effective July 1, 2008 provides a health insurance subsidy per month for an eligible retired member, spouse, surviving spouse or civil union partner who meets all the eligibility requirements. These subsidies are paid to the Town in quarterly installments.

**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Board of Education Plan *(Continued)***

**Funding Policy**

The Town’s strategy currently is to fund through the purchase of premium based coverage, the current claims and administrative costs for post-employment benefits. Although a trust fund may be established to exclusively control the funding and reporting of post-employment benefits, the Town currently funds the post-employment benefits provided to the retirees on a pay-as-you-go basis. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

The Town has not established a trust fund as of June 30, 2019, to irrevocably segregate assets to fund the liability for post-employment benefits.

**Employees Covered by Benefit Terms**

The following is the current census of the Town’s post-employment benefit participants as of June 30, 2017 (date of the most recently completed valuation):

Active members	33
Retirees	4
Spouses	1
Total	38

**Total OPEB Liability**

The Town’s OPEB Liability reported as of June 30, 2019 totaled \$1,201,245. The total OPEB liability was measured as of June 30, 2019 using the Entry Age Normal actuarial method.

*Actuarial Assumptions and Other Inputs* - The total OPEB liability measured as of June 30, 2019 was determined using a valuation date of June 30, 2017 and the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial assumptions:	
Discount rate	3.50%
Medical inflation rate	5.3% - 4.4% over 68 years
Dental inflation rate	3.0%
Amortization growth rate	3.50%

The discount rate was based on the Bond Buyer 20 (GO 20 Index) as of the measurement date, which represents municipal bond trends based on a portfolio of 20 general obligation bonds that mature in 20 years.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Board of Education Plan *(Continued)***

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
Balance as of June 30, 2018	\$ 1,105,399
Changes for the year:	
Service cost	23,348
Interest	43,038
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	63,137
Benefit payments	(33,677)
Net changes	95,846
Balance as of June 30, 2019	\$ 1,201,245

Changes of assumptions primarily reflects a change in the discount rate from 3.87% to 3.50%.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	<b>1% Decrease (2.50%)</b>	<b>Current Discount Rate (3.50%)</b>	<b>1% Increase (4.50%)</b>
Total OPEB Liability	\$ 1,397,941	\$ 1,201,245	\$ 1,040,813

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

	<b>1% Decrease in Trend Rates</b>	<b>Current Trend Rates</b>	<b>1% Increase in Trend Rates</b>
Total OPEB Liability	\$ 1,009,948	\$ 1,201,245	\$ 1,440,041

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Board of Education Plan *(Continued)***

**OPEB Expense and Deferred Outflows of Resources**

For the year ended June 30, 2019, the Town recognized OPEB expense of \$67,970. As of June 30, 2019, the Town reported deferred outflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
Changes of assumptions	\$ 57,550	\$ (40,827)	\$ 16,723
Total	\$ 57,550	\$ (40,827)	\$ 16,723

Amounts reported as deferred outflows of resources related to OPEB will be recognized as a component of OPEB expense as follows:

Year ended June 30,	
2020	\$ 1,584
2021	1,584
2022	1,584
2023	1,584
2024	1,584
Thereafter	8,803
	\$ 16,723

**Connecticut State Teachers' Retirement System**

**Plan Description**

The faculty and professional personnel of the Town's Board of Education participates in the State of Connecticut's Teachers' Retirement System ("TRS"), which is a cost sharing multiple-employer defined benefit pension plan that provides retirement, disability, survivorship and health insurance benefits to plan members and their beneficiaries. The TRS is governed by Connecticut General Statute ("CGS") *Title 10, Chapter 167a* and is administered by the Connecticut State Teachers' Retirement Board (the "Board"). The OPEB trust fund is included in the TRS, and the TRS is included in the State of Connecticut audit as a pension trust fund. These reports can be obtained from the Connecticut Office of the State Comptroller.

**Benefit Provisions**

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

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Benefit Provisions *(Continued)***

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. 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).

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.

**Contributions**

Per CGS 10-183z, (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through annual appropriation in the General Fund. School district employers are not required to make contributions to the Plan.

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

Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

**Administrative Expenses**

Administrative costs of the Plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

**Basis of Presentation**

The collective net OPEB liability, deferred outflows and inflows of resources, and OPEB expense for the TRS has been measured as of June 30, 2018 based on an actuarial valuation performed as of June 30, 2018. Since the Town does not contribute directly to the TRS, the Town does not recognize its proportionate share of these amounts in its financial statements. The information determined as of the June 30, 2018 measurement date for the TRS has been utilized by the Town for reporting on-behalf revenues, expenditures and expenses for the year ended June 30, 2019 and for reporting the proportionate share of the collective net OPEB liability that is attributed to the Town as of June 30, 2019.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Basis of Presentation *(Continued)***

The components associated with the OPEB expense and deferred outflows and inflows of resources have been determined using the unrecognized portions of each year's experience and assumption changes for the year ended June 30, 2018.

**Allocation Methodology**

The schedule of allocations have been prepared to provide the total amount of employer contributions from the State and the proportionate share percentages that have been determined based on these contributions. Based on these percentages the proportionate share amounts of the net OPEB liability associated with each participating employer and the employer OPEB expense and revenue for State support for each participating employer for the year ending June 30, 2018.

For fiscal year 2018, the Town's expected contribution effort for allocation purposes totaled \$32,170 or 0.091% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures of the General Fund for the year ended June 30, 2019.

The components associated with the collective OPEB expense and deferred outflows and inflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2018. The portion of the collective negative OPEB expense allocated to the Town totaled \$(796,716).

The total collective net OPEB liability of participating employers for the TRS was approximately \$2.632 billion as of the June 30, 2018 measurement date. The portion attributed to the Town totaled \$2,398,308 or approximately 0.091% of the total collective net OPEB liability.

**Actuarial Assumptions**

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

Inflation	2.75%
Real Wage Growth	0.50%
Wage Inflation	3.25%
Salary increases	3.25% - 6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation

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

**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Long-Term Rate of Return**

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

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

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

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Expected 10-Year Geometric Real Rate of Return</b>
U.S. Treasuries (Cash Equivalents)	100.0%	0.27%

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2018.

In addition to the actuarial methods and assumptions of the June 30, 2018 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annual at a rate of 3.25%.
- Employee contributions were assumed to be made at the current member contribution rate.
- Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- No future employer contributions were assumed to be made.

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

**TOWN OF WILLINGTON, CONNECTICUT**  
 NOTES TO FINANCIAL STATEMENTS *(Continued)*  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)***

**Connecticut State Teachers' Retirement System *(Continued)***

**Proportionate Share of the Collective Net OPEB Liability**

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate* - The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2018 measurement date, calculated using a discount rate of 3.87%, as well as what the proportionate share of the net OPEB liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage point lower (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	<b>1.00% Decrease (2.87%)</b>	<b>Current Rate (3.87%)</b>	<b>1.00% Increase (4.87%)</b>
Proportionate share of the net OPEB liability attributed to the Town	\$ 2,847,000	\$ 2,398,000	\$ 2,039,000

*Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates* - The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2018 measurement date, calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease in Trend Rates</b>	<b>Current Trend Rates</b>	<b>1% Increase in Trend Rates</b>
Proportionate share of the net OPEB liability attributed to the Town	\$ 2,010,000	\$ 2,398,000	\$ 2,914,000



**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

**NOTE 11 - FUND BALANCE**

The Town has committed and assigned fund balance for other purposes as of June 30, 2019 for the following purposes:

	<u>General Fund</u>	<u>Fire and Ambulance Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Committed for:				
Compensated absences	\$ 130,578	\$ -	\$ -	\$ 130,578
Library	393,468	-	-	393,468
Emergency preparedness	4,322	-	-	4,322
Nonlapsing Education Fund	35,649	-	-	35,649
General government	-	-	10,349	10,349
Public safety	-	397,024	7,499	404,523
Culture and recreation	-	-	62,648	62,648
Public works	-	-	5,898	5,898
Educational purposes	-	-	34,995	34,995
School cafeteria operations	-	-	14,903	14,903
Total committed for other purposes	<u>\$ 564,017</u>	<u>\$ 397,024</u>	<u>\$ 136,292</u>	<u>\$ 1,097,333</u>
Assigned to:				
Use in subsequent year's budget	\$ 410,000	\$ -	\$ -	\$ 410,000
Encumbrances	111,704	-	-	111,704
Total assigned	<u>\$ 521,704</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 521,704</u>

Encumbrances represent commitments entered into as of June 30, 2019 for goods or services to be provided in the subsequent fiscal year. Encumbrances have been assigned for the following purposes:

General government	\$ 24,150
Educational purposes	87,554
	<u>\$ 111,704</u>

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

There are several lawsuits pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

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

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 13 - RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. The Town purchases commercial insurance for some risks and participates in various risk pools for other risks as described below. During the year ended June 30, 2019, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims which exceeded the Town's insurance coverage in the last three years. There have been no reductions in coverage from those of the prior year.

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies that was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program pursuant to the provisions of Section 7-479a et seq. of the Connecticut General Statutes.

The Town is a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. The premium is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence.

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

Premiums paid to CIRMA for the year ended June 30, 2019 totaled \$173,526.

**NOTE 14 - IMPACT OF NEW ACCOUNTING STANDARDS NOT YET EFFECTIVE**

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2019. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO FINANCIAL STATEMENTS *(Continued)*  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 14 - IMPACT OF NEW ACCOUNTING STANDARDS NOT YET EFFECTIVE *(Continued)***

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement should be applied prospectively and are effective for the Town's reporting period beginning July 1, 2020. The Town does not expect this statement to have a material effect on its financial statements.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2019. The Town does not expect this statement to have a material effect on its financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2021. The Town does not expect this statement to have a material effect on its financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**TOWN OF WILLINGTON, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Property taxes	\$ 13,191,188	\$ 13,191,188	\$ 13,335,253	\$ 144,065
Intergovernmental	3,675,210	3,675,210	3,873,402	198,192
Licenses, fees and permits	133,500	133,500	201,767	68,267
Investment income	35,000	35,000	127,832	92,832
Other	38,500	38,500	36,093	(2,407)
Total revenues	<u>17,073,398</u>	<u>17,073,398</u>	<u>17,574,347</u>	<u>500,949</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,126,444	1,159,816	1,090,262	(69,554)
Public safety	594,873	595,167	591,865	(3,302)
Public works	1,320,438	1,334,438	1,314,493	(19,945)
Education	8,301,814	8,301,814	8,301,814	-
Regional School District No. 19	4,117,765	4,117,765	4,117,765	-
Other	572,710	525,044	440,087	(84,957)
Debt service:				
Principal payments	168,363	168,363	168,363	-
Interest and fiscal charges	53,857	53,857	53,857	-
Capital outlays	186,015	90,611	83,393	(7,218)
Total expenditures	<u>16,442,279</u>	<u>16,346,875</u>	<u>16,161,899</u>	<u>(184,976)</u>
Excess of revenues over expenditures	631,119	726,523	1,412,448	685,925
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(631,119)</u>	<u>(726,523)</u>	<u>(726,523)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 685,925</u>	<u>\$ 685,925</u>

*See accompanying notes to required supplementary information.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY AND RELATED RATIOS - PENSION (UNAUDITED)**  
**LAST SIX FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>						
Service cost	\$ 10,585	\$ 11,248	\$ 15,342	\$ 16,786	\$ 16,852	\$ 22,477
Interest	44,101	51,331	46,385	44,512	40,954	35,764
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(3,205)	12,780	13,044	(33,094)	(6,910)	20,828
Changes of assumptions	-	-	-	-	-	28,901
Benefit payments, including refunds	(356,027)	-	-	-	-	(112,811)
Net change in total pension liability	(304,546)	75,359	74,771	28,204	50,896	(4,841)
Total pension liability - beginning	797,434	722,075	647,304	619,100	568,204	573,045
Total pension liability - ending	<u>492,888</u>	<u>797,434</u>	<u>722,075</u>	<u>647,304</u>	<u>619,100</u>	<u>568,204</u>
<b>Plan fiduciary net position</b>						
Contributions - employer	18,814	27,299	28,433	27,905	36,429	16,203
Contributions - members	3,594	4,948	4,819	4,546	4,755	4,787
Net investment income	23,327	47,939	54,210	5,435	11,548	54,903
Benefit payments, including refunds	(356,027)	-	-	-	-	(122,811)
Net change in plan fiduciary net position	(310,292)	80,186	87,462	37,886	52,732	(46,918)
Plan fiduciary net position - beginning	687,078	606,892	519,430	481,544	428,812	475,730
Plan fiduciary net position - ending	<u>376,786</u>	<u>687,078</u>	<u>606,892</u>	<u>519,430</u>	<u>481,544</u>	<u>428,812</u>
<b>Town's net pension liability</b>	<u>\$ 116,102</u>	<u>\$ 110,356</u>	<u>\$ 115,183</u>	<u>\$ 127,874</u>	<u>\$ 137,556</u>	<u>\$ 139,392</u>
Plan fiduciary net position as a percentage of total pension liability	76.44%	86.16%	84.05%	80.25%	77.78%	75.47%
Covered payroll	\$ 136,939	\$ 139,405	\$ 192,750	\$ 181,863	\$ 190,195	\$ 188,376
Town's net pension liability as a percentage of covered payroll	84.78%	79.16%	59.76%	70.31%	72.32%	74.00%

*See accompanying notes to required supplementary information.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF TOWN CONTRIBUTIONS AND INVESTMENT RETURNS - PENSION (UNAUDITED)**  
**LAST TEN FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarially determined contribution	\$ 17,011	\$ 16,182	\$ 24,667	\$ 25,801	\$ 25,273	\$ 53,197	\$ 48,905	\$ 38,946	\$ 34,499	\$ 31,227
Contributions in relation to the actuarially determined contribution	18,814	27,299	28,433	27,905	16,203	20,095	20,095	20,095	15,095	10,580
Contribution (surplus) deficiency	<u>\$ (1,803)</u>	<u>\$ (11,117)</u>	<u>\$ (3,766)</u>	<u>\$ (2,104)</u>	<u>\$ 9,070</u>	<u>\$ 33,102</u>	<u>\$ 28,810</u>	<u>\$ 18,851</u>	<u>\$ 19,404</u>	<u>\$ 20,647</u>
Covered payroll	\$ 136,939	\$ 139,405	\$ 192,750	\$ 181,863	\$ 190,195	\$ 188,376	\$ 232,522	\$ 230,591	\$ 231,019	\$ 210,553
Contributions as a percentage of covered payroll	13.74%	19.58%	14.75%	15.34%	8.52%	10.67%	8.64%	8.71%	6.53%	5.02%
Annual money-weighted rate of return, net of investment expense	4.48%	7.69%	10.33%	1.12%	2.67%	11.38%	11.65%	N/A	N/A	N/A

*See accompanying notes to required supplementary information.*

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)**  
**CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS**  
(Rounded to nearest thousand)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability attributed to the Town	0.091%	0.091%	0.091%	0.102%	0.102%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability attributed to the Town	<u>11,997,000</u>	<u>12,222,000</u>	<u>12,894,000</u>	<u>11,175,000</u>	<u>10,329,000</u>
Total	<u>\$11,997,000</u>	<u>\$ 12,222,000</u>	<u>\$ 12,894,000</u>	<u>\$ 11,175,000</u>	<u>\$ 10,329,000</u>
Town's covered payroll	\$ 3,807,000	\$ 3,802,000	\$ 3,615,000	\$ 3,662,000	\$ 3,781,000
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	57.69%	55.93%	52.26%	59.50%	61.51%

*See accompanying notes to required supplementary information.*



**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OPEB LIABILITY (UNAUDITED)**  
**OTHER POST-EMPLOYMENT BENEFITS**  
**LAST FISCAL YEAR**

	<u>2019</u>	<u>2018</u>
<b>Total OPEB liability</b>		
Service cost	\$ 23,348	\$ 24,175
Interest	43,038	40,470
Changes in benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	63,137	(48,833)
Benefit payments	<u>(33,677)</u>	<u>(33,041)</u>
Net change in total OPEB liability	95,846	(17,229)
Total OPEB liability - beginning	1,105,399	1,122,628
Total OPEB liability - ending	<u><u>\$1,201,245</u></u>	<u><u>\$1,105,399</u></u>

*See accompanying notes to required supplementary information.*

**TOWN OF WILLINGTON , CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM (UNAUDITED)**  
**LAST TWO FISCAL YEARS**  
(Rounded to the Nearest Thousand)

	<u>2019</u>	<u>2018</u>
Proportion of the net OPEB liability attributed to the Town	0.091%	0.091%
Town's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability attributed to the Town	<u>2,398,000</u>	<u>3,145,000</u>
Total	<u>\$ 2,398,000</u>	<u>\$ 3,145,000</u>
Town's covered employee payroll	\$ 3,807,000	\$ 3,802,000
Town's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	0.0%	0.0%
Plan fiduciary net position as a percentage of the total OPEB liability	1.49%	1.79%

*See accompanying notes to required supplementary information.*

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – BUDGETARY BASIS - GENERAL FUND**

**BUDGETARY INFORMATION**

The General Fund is the only fund for which an annual budget is legally adopted. The Town adheres to the following procedures in establishing the budgetary data for the General Fund.

- The Board of Finance submits at the annual Town budget meeting, at which taxpayer comments are obtained, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Prior to July 1, the budget is legally enacted.
- The Board of Finance is authorized to transfer budgeted amounts between appropriations and can approve one additional appropriation up to an aggregate of \$20,000 per department per year. Additional appropriations aggregating more than \$20,000 for any one department per year must be approved at a Town Meeting. During the year ended June 30, 2019, there were no additional appropriations from fund balance.
- The Board of Education is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must be approved at a Town Meeting if over \$20,000.
- Management is not authorized to transfer budgeted amounts or to approve additional appropriations.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting. “On-behalf” payments made by the State of Connecticut into the State Teacher’s Retirement System are not recorded for budgetary purposes. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year.
- The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.
- Generally, all unexpended and unencumbered General Fund appropriations lapse at year-end. Encumbered appropriations in the General Fund are not re-appropriated in the ensuing year’s budget, but are carried forward.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – BUDGETARY BASIS - GENERAL FUND**

**BUDGETARY INFORMATION (Continued)**

As described above, accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP basis”). A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2019:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Total Other Financing Sources (Uses)</u>	<u>Net Change In Fund Balance</u>
Budgetary basis	\$ 17,574,347	\$ 16,161,899	\$ (726,523)	\$ 685,925
"On-behalf" payments - State Teachers' Retirement Fund	1,191,661	1,191,661	-	-
Encumbrances outstanding:				
June 30, 2018	-	184,375	-	(184,375)
June 30, 2019	-	(111,704)	-	111,704
Budgetary perspective differences - funds combined for GAAP financial reporting purposes:				
Reserve for Compensated Absences Fund	288	47,035	25,000	(21,747)
Public Library Fund	19,379	209,449	180,069	(10,001)
Emergency Preparedness Fund	-	865	-	(865)
Nonlapsing Education Fund	630	-	5,559	6,189
Elimination of interfund transfers	-	(476,301)	(476,301)	-
GAAP basis	<u>\$ 18,786,305</u>	<u>\$ 17,207,279</u>	<u>\$ (992,196)</u>	<u>\$ 586,830</u>

**NOTE 2 - SCHEDULE OF CHANGES IN NET PENSION LIABILITY - TOWN PENSION PLAN**

The Town began to report the schedule of net pension liability when it implemented GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25*, in fiscal year 2014. GASB Statement No. 67 requires the information within this schedule to be presented for the ten most recent fiscal years. Additional years' information will be displayed as it becomes available.

Actuarial valuations are prepared every year with the most recent available actuarial valuation performed as of July 1, 2019. The July 1, 2019 actuarial valuation as used for the most recent measurement date of June 30, 2019.

*Benefit Changes* - There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 2 - SCHEDULE OF CHANGES IN NET PENSION LIABILITY - TOWN PENSION PLAN (Continued)**

*Assumption Changes* - There have been no changes in assumption terms that have had a significant effect on the measurement of the total pension liability.

**NOTE 3 - SCHEDULE OF CONTRIBUTIONS AND INVESTMENT RETURNS - TOWN PENSION PLAN**

The Town began to report the schedule of contributions and investment returns when it implemented GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25*, in fiscal year 2014. GASB Statement No. 67 requires the information within this schedule to be presented for the ten most recent fiscal years. Additional years' information will be displayed as it becomes available.

Actuarially determined contribution rates are calculated as of July 1, prior to the end of the fiscal year in which contributions are reported. The following methods and assumptions were utilized to determine the contribution rates for the year ended June 30, 2019.

Actuarial cost method	Aggregate
Amortization method	Included in cost as level % of payroll over compensation weighted average working life
Remaining amortization period	Not applicable
Asset valuation method	Market value
Inflation	2.00%
Investment rate of return	7.00%
Salary increases	4.00%
Retirement age	Age 65

Mortality rates were based on the 2018 Combined Unisex Applicable Mortality Table from notice 2016-50.

**NOTE 4 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM**

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2018. This information is utilized by the Town for reporting as of June 30, 2019.

*Benefit Changes* - There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

*Assumption Changes* - The following assumption changes collectively had a significant effect on the measurement of the total pension liability reported as of June 30, 2018.

- the inflation assumption was reduced from 2.75% to 2.50%;
- the real rate of return assumption was reduced from 5.25% to 4.40%, which when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.00% to 6.90%;
- the annual rate of wage increase assumption was increased from 0.50% to 0.75%.

**TOWN OF WILLINGTON, CONNECTICUT**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

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**NOTE 5 - SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY - OTHER POST-EMPLOYMENT BENEFITS**

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years. Additional years' information will be displayed as it becomes available.

The total OPEB liability was measured as of June 30, 2019 and was determined based upon the results of the actuarial valuation as of June 30, 2017, adjusted to the measurement date of June 30, 2019.

*Benefit Changes* - There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

*Assumption Changes* - There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

**NOTE 6 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY - CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM**

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years. Additional years' information will be displayed as it becomes available.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2018. This information is utilized by the Town for reporting as of June 30, 2019.

*Benefit Changes* - Effective July 1, 2018, the Plan changed the "base plan" to the Medicare Advantage Plan for the purposes of determining retiree health care plan subsidies and/or cost sharing amount(s), and introduced a two year waiting period for re-enrollment in a system-sponsored health care plan for those who cancel their coverage or choose not to enroll in a health care coverage option on or after the effective date.

*Assumption Changes* - The following assumption changes collectively had a significant effect on the measurement of the net OPEB liability reported as of June 30, 2018:

- the expected rate of return on Plan assets was changed from 4.25% to 3.00% to better reflect the anticipated returns on cash and other high quality short-term fixed income investments;
- the discount rate used to measure Plan obligations and amortize supplemental costs was updated to match the expected rate of return on assets selected as of June 30, 2018;
- long-term health care cost trend rates were updated to better reflect the anticipated impact of changes in medical inflation, utilization, leverage in the plan design, improvements in technology, and fees and charges on expected claims and retiree contributions in future periods; and
- the percentage of retired members who are not currently participating in the Plan, but are expected to elect coverage for themselves and their spouses under a system-sponsored health care plan option in the future, was updated to better reflect anticipated plan experience.

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**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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**GENERAL FUND**

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**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		
<b>PROPERTY TAXES</b>				
Taxes	\$ 13,161,188	\$ 13,161,188	\$ 13,288,505	\$ 127,317
Interest and lien fees	30,000	30,000	46,748	16,748
Total property taxes	<u>13,191,188</u>	<u>13,191,188</u>	<u>13,335,253</u>	<u>144,065</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
Education:				
Education cost sharing grant	3,335,459	3,335,459	3,534,268	198,809
Noneducation:				
Town aid road grant	258,469	258,469	258,347	(122)
State property reimbursement	24,965	24,965	24,965	-
Pequot funds	17,399	17,399	17,399	-
Judicial fines	15,000	15,000	9,470	(5,530)
Municipal projects	20,018	20,018	20,018	-
Veteran's exemption	400	400	492	92
Mold remediation grant	-	-	4,732	4,732
Disability reimbursement	500	500	711	211
FEMA	3,000	3,000	3,000	-
Total intergovernmental revenues	<u>3,675,210</u>	<u>3,675,210</u>	<u>3,873,402</u>	<u>198,192</u>
<b>LICENSES, FEES AND PERMITS</b>				
Building, zoning fees and permits	60,000	60,000	51,836	(8,164)
Zoning board of appeals	500	500	454	(46)
Inland/wetland fees	3,500	3,500	2,855	(645)
Conveyance taxes	29,000	29,000	103,559	74,559
Permits	2,500	2,500	1,921	(579)
Town clerk fees	22,000	22,000	26,397	4,397
Town Clerk LOCIP fees	1,500	1,500	1,818	318
Transfer station fees	11,000	11,000	9,580	(1,420)
Reimbursement - recycling	3,500	3,500	3,347	(153)
Total licenses, fees and permits	<u>133,500</u>	<u>133,500</u>	<u>201,767</u>	<u>68,267</u>
<b>INVESTMENT INCOME</b>	<u>35,000</u>	<u>35,000</u>	<u>127,832</u>	<u>92,832</u>

*(Continued)*

**TOWN OF WILLINGTON, CONNECTICUT**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL -  
 BUDGETARY BASIS - GENERAL FUND (UNAUDITED) *(Concluded)*  
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>OTHER</b>				
Telecommunications grant	\$ 8,500	\$ 8,500	\$ 8,745	\$ 245
Other	30,000	30,000	27,348	(2,652)
Total other	<u>38,500</u>	<u>38,500</u>	<u>36,093</u>	<u>(2,407)</u>
 Total revenues	 <u>\$ 17,073,398</u>	 <u>\$ 17,073,398</u>	 <u>\$ 17,574,347</u>	 <u>\$ 500,949</u> <i>(Concluded)</i>

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		
<b>GENERAL GOVERNMENT</b>				
Selectmen	\$ 154,415	\$ 154,415	\$ 148,562	\$ (5,853)
Probate court	3,525	3,525	3,525	-
Elections/registrars	33,402	33,402	33,130	(272)
Accounting services	186,998	186,998	186,894	(104)
Board of finance	4,118	4,118	1,998	(2,120)
Town treasurer	32,539	32,539	32,474	(65)
Auditor	34,000	34,000	31,500	(2,500)
Assessor	94,150	94,150	87,880	(6,270)
Board of assessment appeals	1,326	1,326	1,326	-
Revenue collector	86,715	86,715	67,042	(19,673)
Legal counsel	32,000	32,000	26,022	(5,978)
Town clerk	100,752	100,752	100,425	(327)
Conservation commission	1,500	1,500	688	(812)
Planning and zoning	129,262	129,262	120,890	(8,372)
Zoning board of appeals	4,715	4,715	4,316	(399)
Economic development commission	5,500	5,500	2,289	(3,211)
Inland/wetlands commission	2,000	2,000	631	(1,369)
Town office operations	161,558	192,558	190,073	(2,485)
Town hall operations	6,356	8,156	7,749	(407)
Senior Center operations	31,613	32,185	31,948	(237)
Consulting engineers	20,000	20,000	10,900	(9,100)
Total general government	<u>1,126,444</u>	<u>1,159,816</u>	<u>1,090,262</u>	<u>(69,554)</u>
<b>PUBLIC SAFETY</b>				
Ambulance	470,742	470,742	470,742	-
Fire marshal	24,658	24,658	23,400	(1,258)
Fire protection	18,449	18,449	18,299	(150)
Public safety and welfare	31,180	31,180	31,180	-
Emergency management director	6,000	6,000	6,000	-
Fire mains and hydrants	7,234	7,528	7,466	(62)
Building official	36,610	36,610	34,778	(1,832)
Total public safety	<u>594,873</u>	<u>595,167</u>	<u>591,865</u>	<u>(3,302)</u>
<b>PUBLIC WORKS</b>				
Public works department	1,112,096	1,112,096	1,095,828	(16,268)
Cemetery	2,000	2,000	2,000	-
Transfer station	206,342	220,342	216,665	(3,677)
Total public works	<u>1,320,438</u>	<u>1,334,438</u>	<u>1,314,493</u>	<u>(19,945)</u>

*(Continued)*

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND (UNAUDITED) (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		
<b>EDUCATION</b>				
Elementary education	\$ 2,657,580	\$ 2,694,972	\$ 2,659,321	\$ (35,651)
Special education	1,649,895	1,669,895	1,759,474	89,579
Summer school	39,270	39,270	36,798	(2,472)
Fringe benefits	1,052,506	1,052,506	1,056,111	3,605
Pupil services	515,779	518,211	507,575	(10,636)
Staff and program development	149,967	149,967	131,285	(18,682)
Educational media	140,526	140,526	131,486	(9,040)
Board of Education	485,315	477,436	468,223	(9,213)
Principal's office	457,796	457,796	449,671	(8,125)
Plant operations	564,047	538,127	529,530	(8,597)
Transportation	589,133	563,108	566,781	3,673
Subtotal education	<u>8,301,814</u>	<u>8,301,814</u>	<u>8,296,255</u>	<u>(5,559)</u>
Transfer surplus to BOE Nonlapsing Fund	-	-	5,559	5,559
Total education	<u>8,301,814</u>	<u>8,301,814</u>	<u>8,301,814</u>	<u>-</u>
<b>REGIONAL SCHOOL DISTRICT NO. 19</b>	<u>4,117,765</u>	<u>4,117,765</u>	<u>4,117,765</u>	<u>-</u>
<b>OTHER</b>				
Social security	88,508	88,508	75,652	(12,856)
Unemployment	9,195	19,908	16,122	(3,786)
Employee health insurance	321,799	261,964	215,013	(46,951)
Pension fund	56,596	56,596	46,229	(10,367)
Insurance	84,112	85,568	85,567	(1)
Contingency fund	10,000	10,000	-	(10,000)
Other	2,500	2,500	1,504	(996)
Total other	<u>572,710</u>	<u>525,044</u>	<u>440,087</u>	<u>(84,957)</u>
<b>DEBT SERVICE</b>				
Principal payments	168,363	168,363	168,363	-
Interest and fiscal charges	53,857	53,857	53,857	-
Total debt service	<u>222,220</u>	<u>222,220</u>	<u>222,220</u>	<u>-</u>
<b>CAPITAL OUTLAYS</b>	<u>186,015</u>	<u>90,611</u>	<u>83,393</u>	<u>(7,218)</u>
Total expenditures	<u>16,442,279</u>	<u>16,346,875</u>	<u>16,161,899</u>	<u>(184,976)</u>

*(Continued)*

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL -**  
**BUDGETARY BASIS - GENERAL FUND (UNAUDITED) (Concluded)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		
<b>OTHER FINANCING USES</b>				
Transfers out:				
Reserve for compensated absences fund	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Dog fund	22,040	22,040	22,040	-
Fire department	230,270	230,270	230,270	-
Willington Public Library	180,069	180,069	180,069	-
Recreation commission fund	58,245	58,245	58,245	-
Human services	48,579	48,579	48,579	-
Capital projects fund	1,000	96,404	96,404	-
Reserve for capital and nonrecurring fund	63,802	63,802	63,802	-
Housing Authority	2,114	2,114	2,114	-
Total other financing uses	<u>631,119</u>	<u>726,523</u>	<u>726,523</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 17,073,398</u>	<u>\$ 17,073,398</u>	<u>\$ 16,888,422</u>	<u>\$ (184,976)</u> <i>(Concluded)</i>

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Grand List Year	Uncollected Taxes July 1, 2018	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2019
			Additions	Deletions			Taxes	Interest	Liens	
2017	\$ -	\$13,236,107	\$ 17,565	\$ 35,968	\$ 4,743	\$13,212,961	\$13,134,708	\$ 26,754	\$ 5,717	\$ 78,253
2016	76,265	-	527	1,728	1,300	73,764	56,032	8,713	1,316	17,732
2015	16,027	-	83	317	6,473	9,320	9,317	3,501	165	3
2014	7,015	-	-	27	-	6,988	6,988	3,894	24	-
	<u>\$ 99,307</u>	<u>\$13,236,107</u>	<u>\$ 18,175</u>	<u>\$ 38,040</u>	<u>\$ 12,516</u>	<u>\$13,303,033</u>	<u>\$13,207,045</u>	<u>\$ 42,862</u>	<u>\$ 7,222</u>	<u>\$ 95,988</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
**SCHEDULE OF DEBT LIMITATION**  
**CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

Total cash collections for the year ended  
June 30, 2019:

Taxes	\$ 13,207,615
Interest and lien fees	50,084
<b>Total</b>	<b>13,257,699</b>

Reimbursement for revenue loss:

Tax relief (CGS 12-129d)	-
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Base \$ 13,257,699

	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 29,829,823	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	59,659,646	-	-	-
3-3/4 times base	-	-	49,716,371	-	-
3-1/4 times base	-	-	-	43,087,522	-
3 times base	-	-	-	-	39,773,097
<b>Total debt limitation</b>	<b>29,829,823</b>	<b>59,659,646</b>	<b>49,716,371</b>	<b>43,087,522</b>	<b>39,773,097</b>
Indebtedness:					
Bonds payable	1,200,000	-	-	-	-
Regional School District No. 19:*					
Allocated portion of bonds payable	-	239,894 *	-	-	-
Authorized, unissued debt	-	1,160,775 ■	-	-	-
Estimated amounts to be provided by S	-	(945,219) ■	-	-	-
<b>Total indebtedness</b>	<b>1,200,000</b>	<b>455,450</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt limitation in excess of outstanding and authorized debt	<u><u>\$ 28,629,823</u></u>	<u><u>\$ 59,204,196</u></u>	<u><u>\$ 49,716,371</u></u>	<u><u>\$ 43,087,522</u></u>	<u><u>\$ 39,773,097</u></u>
Total capacity of borrowing (7 times base)	92,803,893				
Total present indebtedness	<u>1,655,450</u>				
Margin for additional borrowing	<u><u>\$ 91,148,443</u></u>				

\* The Town is contingently liable for its pro-rata share of Regional School District No. 19's (the "District") outstanding bonds. Amounts reported represent the Town's share based on an allocated rate of 22.11%.

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## NONMAJOR GOVERNMENTAL FUNDS

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### SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes. Nonmajor special revenue funds include the following:

**Preservation Management Fund** - To account for revenues and expenditures of document preservation work.

**Dog Fund** - To account for the revenues and expenditures of animal control operations.

**Parks and Recreation Fund** - To account for the revenues and expenditures of recreation operations.

**Willington Human Services Fund** - To account for the revenues and expenditures of social services operations.

**Fuel Bank Fund** - To account for donations and disbursements of funds for fuel emergencies.

**State and Federal Grants Fund** - To account for the expenditures of grants not otherwise accounted for in the General Fund.

**School Lunch Fund** - To account for the operation of the public school lunch program. Funding is provided from the sale of food, Federal and State Grants and USDA food donations.

**Education Fund** - To account for the revenues and expenditures of other educational grants and donations.

**Small Cities Grant Housing Fund** - This fund is used to account for the expenditures of Federal housing funds in the form of rehabilitation loans to property owners. Loan repayments are also deposited into this fund.

### CAPITAL PROJECT FUNDS

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure projects, other than those financed by proprietary funds. The nonmajor capital project funds include the following:

**Park and Recreation Capital and Nonrecurring Fund** - To account for contributions and donations made for the specific purpose of purchasing and improving Town park and recreational facilities and infrastructure.

**Reserve for Capital and Nonrecurring Fund** - To account for the accumulation of reserve funds set aside for large capital expenditures.

**Open Space Fund** - To account for receipt of donations and payments from builders in lieu of land. Money will be accumulated for the purchase and preservation of land for open space.



**TOWN OF WILLINGTON, CONNECTICUT**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**AS OF JUNE 30, 2019**

	<b>Special Revenue Funds</b>	<b>Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 196,674	\$ 528,743	\$ 725,417
Receivables:			
Grants and contracts	42,132	7,000	49,132
Other	3,573	-	3,573
Loans	630,884	-	630,884
Due from other funds	104,096	280,033	384,129
Inventories	1,511	-	1,511
Total assets	<u>\$ 978,870</u>	<u>\$ 815,776</u>	<u>\$ 1,794,646</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 13,733	\$ -	\$ 13,733
Due to other funds	31,315	-	31,315
Unearned revenue	1,041	-	1,041
Total liabilities	<u>46,089</u>	<u>-</u>	<u>46,089</u>
<b>FUND BALANCES</b>			
Nonspendable - inventories	1,511	-	1,511
Restricted for rehabilitation loan program	794,978	-	794,978
Committed for:			
Capital purposes	-	815,776	815,776
Other purposes	136,292	-	136,292
Total fund balances	<u>932,781</u>	<u>815,776</u>	<u>1,748,557</u>
Total liabilities and fund balances	<u>\$ 978,870</u>	<u>\$ 815,776</u>	<u>\$ 1,794,646</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Special Revenue Funds</b>	<b>Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Intergovernmental	\$ 382,950	\$ 7,000	\$ 389,950
Charges for services	192,351	-	192,351
Investment income	445	10,903	11,348
Other	6,301	300	6,601
Total revenues	<u>582,047</u>	<u>18,203</u>	<u>600,250</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	28,036	-	28,036
Public works	2,411	-	2,411
Culture and recreation	209,921	-	209,921
Education	500,779	-	500,779
Capital outlays	13,095	40,541	53,636
Total expenditures	<u>754,242</u>	<u>40,541</u>	<u>794,783</u>
Deficiency of revenues over expenditures	(172,195)	(22,338)	(194,533)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>128,864</u>	<u>63,802</u>	<u>192,666</u>
Net changes in fund balances	(43,331)	41,464	(1,867)
Fund balances - beginning	<u>976,112</u>	<u>774,312</u>	<u>1,750,424</u>
Fund balances - ending	<u><u>\$ 932,781</u></u>	<u><u>\$ 815,776</u></u>	<u><u>\$ 1,748,557</u></u>

**TOWN OF WILLINGTON, CONNECTICUT**  
**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF JUNE 30, 2019**

	<u>Preservation Management Fund</u>	<u>Dog Fund</u>	<u>Parks and Recreation Fund</u>	<u>Willington Human Services Fund</u>	<u>Fuel Bank Fund</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 10,349	\$ -	\$ 100	\$ 10,060	\$ 9,210
Receivables:					
Grants and contracts	-	-	-	-	-
Other	-	210	-	-	-
Loans	-	-	-	-	-
Due from other funds	-	10,151	34,087	24,863	-
Inventories	-	-	-	-	-
Total assets	<u>\$ 10,349</u>	<u>\$ 10,361</u>	<u>\$ 34,187</u>	<u>\$ 34,923</u>	<u>\$ 9,210</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 2,862	\$ 5,286	\$ 224	\$ -
Due to other funds	-	-	-	-	3,312
Unearned revenue	-	-	952	-	-
Total liabilities	<u>-</u>	<u>2,862</u>	<u>6,238</u>	<u>224</u>	<u>3,312</u>
<b>FUND BALANCES</b>					
Nonspendable - inventories	-	-	-	-	-
Restricted for rehabilitation loan program	-	-	-	-	-
Committed for other purposes	10,349	7,499	27,949	34,699	5,898
Total fund balances	<u>10,349</u>	<u>7,499</u>	<u>27,949</u>	<u>34,699</u>	<u>5,898</u>
Total liabilities and fund balances	<u>\$ 10,349</u>	<u>\$ 10,361</u>	<u>\$ 34,187</u>	<u>\$ 34,923</u>	<u>\$ 9,210</u>

*(Continued)*

**TOWN OF WILLINGTON, CONNECTICUT**  
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS *(Continued)*  
 AS OF JUNE 30, 2019

	<u>State and Federal Grants Fund</u>	<u>School Lunch Fund</u>	<u>Education Fund</u>	<u>Small Cities Grant Housing Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 6,076	\$ -	\$ 160,879	\$ 196,674
Receivables:					
Grants and contracts	27,287	14,845	-	-	42,132
Other	-	148	-	3,215	3,573
Loans	-	-	-	630,884	630,884
Due from other funds	-	-	34,995	-	104,096
Inventories	-	1,511	-	-	1,511
Total assets	<u>\$ 27,287</u>	<u>\$ 22,580</u>	<u>\$ 34,995</u>	<u>\$ 794,978</u>	<u>\$ 978,870</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 4,195	\$ 1,166	\$ -	\$ -	\$ 13,733
Due to other funds	23,003	5,000	-	-	31,315
Unearned revenue	89	-	-	-	1,041
Total liabilities	<u>27,287</u>	<u>6,166</u>	<u>-</u>	<u>-</u>	<u>46,089</u>
<b>FUND BALANCES</b>					
Nonspendable - inventories	-	1,511	-	-	1,511
Restricted for rehabilitation loan program	-	-	-	794,978	794,978
Committed for other purposes	-	14,903	34,995	-	136,292
Total fund balances	<u>-</u>	<u>16,414</u>	<u>34,995</u>	<u>794,978</u>	<u>932,781</u>
Total liabilities and fund balances	<u>\$ 27,287</u>	<u>\$ 22,580</u>	<u>\$ 34,995</u>	<u>\$ 794,978</u>	<u>\$ 978,870</u>

*(Concluded)*

**TOWN OF WILLINGTON, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Preservation Management Fund</b>	<b>Dog Fund</b>	<b>Parks and Recreation Fund</b>	<b>Willington Human Services Fund</b>	<b>Fuel Bank Fund</b>
<b>REVENUES</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ 22,873	\$ -
Charges for services	2,378	7,063	63,346	14,722	-
Investment income	4	-	-	237	4
Other	-	-	-	-	5,301
Total revenues	<u>2,382</u>	<u>7,063</u>	<u>63,346</u>	<u>37,832</u>	<u>5,305</u>
<b>EXPENDITURES</b>					
Current:					
Public safety	-	28,036	-	-	-
Public works	-	-	-	-	2,411
Culture and recreation	-	-	125,398	84,523	-
Education	-	-	-	-	-
Capital outlays	-	6,700	6,395	-	-
Total expenditures	<u>-</u>	<u>34,736</u>	<u>131,793</u>	<u>84,523</u>	<u>2,411</u>
Excess (deficiency) of revenues over expenditures	2,382	(27,673)	(68,447)	(46,691)	2,894
<b>OTHER FINANCING SOURCES</b>					
Transfers in	<u>-</u>	<u>22,040</u>	<u>58,245</u>	<u>48,579</u>	<u>-</u>
Net changes in fund balances	2,382	(5,633)	(10,202)	1,888	2,894
Fund balances - beginning	<u>7,967</u>	<u>13,132</u>	<u>38,151</u>	<u>32,811</u>	<u>3,004</u>
Fund balances - ending	<u>\$ 10,349</u>	<u>\$ 7,499</u>	<u>\$ 27,949</u>	<u>\$ 34,699</u>	<u>\$ 5,898</u>

*(Continued)*

**TOWN OF WILLINGTON, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>State and Federal Grants Fund</b>	<b>School Lunch Fund</b>	<b>Education Fund</b>	<b>Small Cities Grant Housing Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>REVENUES</b>					
Intergovernmental	\$ 255,066	\$ 104,082	\$ 929	\$ -	\$ 382,950
Charges for services	-	104,842	-	-	192,351
Investment income	-	-	-	200	445
Other	-	-	1,000	-	6,301
Total revenues	<u>255,066</u>	<u>208,924</u>	<u>1,929</u>	<u>200</u>	<u>582,047</u>
<b>EXPENDITURES</b>					
Current:					
Public safety	-	-	-	-	28,036
Public works	-	-	-	-	2,411
Culture and recreation	-	-	-	-	209,921
Education	255,066	212,174	33,539	-	500,779
Capital outlays	-	-	-	-	13,095
Total expenditures	<u>255,066</u>	<u>212,174</u>	<u>33,539</u>	<u>-</u>	<u>754,242</u>
Excess (deficiency) of revenues over expenditures	-	(3,250)	(31,610)	200	(172,195)
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	128,864
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,864</u>
Net changes in fund balances	-	(3,250)	(31,610)	200	(43,331)
Fund balances - beginning	<u>-</u>	<u>19,664</u>	<u>66,605</u>	<u>794,778</u>	<u>976,112</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 16,414</u>	<u>\$ 34,995</u>	<u>\$ 794,978</u>	<u>\$ 932,781</u>

*(Concluded)*

**TOWN OF WILLINGTON, CONNECTICUT**  
**COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS**  
**AS OF JUNE 30, 2019**

	<b>Park and Recreation Capital and Nonrecurring Fund</b>	<b>Reserve for Capital and Nonrecurring Fund</b>	<b>Open Space Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 9,881	\$ 483,141	\$ 35,721	\$ 528,743
Grants receivable	-	7,000	-	7,000
Due from other funds	300	279,733	-	280,033
Total assets	<u>\$ 10,181</u>	<u>\$ 769,874</u>	<u>\$ 35,721</u>	<u>\$ 815,776</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Committed for capital purposes	10,181	769,874	35,721	815,776
Total liabilities and fund balance	<u>\$ 10,181</u>	<u>\$ 769,874</u>	<u>\$ 35,721</u>	<u>\$ 815,776</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2019

	<b>Park and Recreation Capital and Nonrecurring Fund</b>	<b>Reserve for Capital and Nonrecurring Fund</b>	<b>Open Space Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 7,000	\$ -	\$ 7,000
Investment income	5	10,862	36	10,903
Other	300	-	-	300
Total revenues	<u>305</u>	<u>17,862</u>	<u>36</u>	<u>18,203</u>
<b>EXPENDITURES</b>				
Capital outlays	-	40,541	-	40,541
Total expenditures	<u>-</u>	<u>40,541</u>	<u>-</u>	<u>40,541</u>
Excess (deficiency) of revenues over expenditures	305	(22,679)	36	(22,338)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	63,802	-	63,802
Total other financing sources	<u>-</u>	<u>63,802</u>	<u>-</u>	<u>63,802</u>
Net changes in fund balances	305	41,123	36	41,464
Fund balances - beginning	<u>9,876</u>	<u>728,751</u>	<u>35,685</u>	<u>774,312</u>
Fund balances - ending	<u>\$ 10,181</u>	<u>\$ 769,874</u>	<u>\$ 35,721</u>	<u>\$ 815,776</u>



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## AGENCY FUNDS

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Agency funds are used to report resources held by the Town in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Agency funds include the following:

**Center School Activity Fund** - To account for monies generated by student activities at Center Elementary School.

**Hall Memorial School Activity Fund** - To account for monies generated by student activities at Hall Memorial School.

**Performance Bond Fund** - To account for contractor's bonds which are held to ensure performance on contracts. Once the project is completed, the bonds are released to the contractors.

**Flex Benefit Fund** - To account for monies deducted from pre-tax employee payroll for the employee's non-covered medical expenses and child care expenses.

**Tax Sale Proceeds Fund** - To account for monies collected on the sales of property to reimburse the Town for unpaid taxes, with the excess refunded to the state.

**Willington Day Fund** - To account for monies collected for the Town's Willington Day activities and the Town's upcoming tercentennial celebration.

**Scholarship Fund** - To account for monies from donations for school scholarships.

**TOWN OF WILLINGTON, CONNECTICUT**  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
 AS OF JUNE 30, 2019

	<b>Center School Activity Fund</b>	<b>Hall Memorial School Activity Fund</b>	<b>Performance Bond Fund</b>	<b>Flex Benefit Fund</b>	<b>Tax Sale Proceeds Fund</b>	<b>Willington Day Fund</b>	<b>Scholarship Fund</b>	<b>Total Agency Funds</b>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 8,577	\$ 124,439	\$ 17,294	\$ 4,011	\$ 2,541	\$ 5,110	\$ -	\$ 161,972
Investments	-	-	-	-	-	-	11,744	11,744
Total assets	<u>\$ 8,577</u>	<u>\$ 124,439</u>	<u>\$ 17,294</u>	<u>\$ 4,011</u>	<u>\$ 2,541</u>	<u>\$ 5,110</u>	<u>\$ 11,744</u>	<u>\$ 173,716</u>
<b>LIABILITIES</b>								
Due to others	\$ 8,577	\$ 124,439	\$ 17,294	\$ 4,011	\$ 2,541	\$ 5,110	\$ 11,744	\$ 173,716
Total liabilities	<u>\$ 8,577</u>	<u>\$ 124,439</u>	<u>\$ 17,294</u>	<u>\$ 4,011</u>	<u>\$ 2,541</u>	<u>\$ 5,110</u>	<u>\$ 11,744</u>	<u>\$ 173,716</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES -  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Balance, July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2019</u>
<b>ASSETS</b>				
Cash and cash equivalents:				
Hall Memorial School Activity Fund	\$ 11,339	\$ 46,745	\$ 49,507	\$ 8,577
Performance Bond Fund	119,230	25,209	20,000	124,439
Center School Activity Fund	16,884	20,059	19,649	17,294
Flex Benefit Fund	3,999	10,048	10,036	4,011
Willington Day Fund	2,273	2,372	2,104	2,541
Tax Sale Proceeds Fund	5,105	5	-	5,110
Investments:				
Scholarship Fund	11,697	47	-	11,744
Total assets	<u>\$ 170,527</u>	<u>\$ 104,485</u>	<u>\$ 101,296</u>	<u>\$ 173,716</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 170,527</u>	<u>\$ 104,485</u>	<u>\$ 101,296</u>	<u>\$ 173,716</u>
Total liabilities	<u>\$ 170,527</u>	<u>\$ 104,485</u>	<u>\$ 101,296</u>	<u>\$ 173,716</u>

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## STATISTICAL SECTION

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This part of the Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

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**Sources:** Unless otherwise noted, the information in the accompanying tables is derived from the comprehensive annual financial reports for the relevant year.

**TOWN OF WILLINGTON, CONNECTICUT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**UNAUDITED**

	Primary Government				
	2010	2011	2012	2013	2014
<b>Governmental activities</b>					
Net investment in capital assets	\$ 9,615,588	\$ 9,210,797	\$ 9,559,588	\$10,016,613	\$ 9,992,318
Restricted	672,083	703,772	849,922	851,790	851,280
Unrestricted	3,221,929	2,432,276	2,367,750	2,535,119	2,706,117
Total governmental activities net position	<u>13,509,600</u>	<u>12,346,845</u>	<u>12,777,260</u>	<u>13,403,522</u>	<u>13,549,715</u>
<b>Business type activities</b>					
Net investment in capital assets	-	-	1,308,851	1,258,718	1,208,585
Restricted	-	-	-	-	-
Unrestricted	-	-	17,220	23,830	25,470
Total business type activities	<u>-</u>	<u>-</u>	<u>1,326,071</u>	<u>1,282,548</u>	<u>1,234,055</u>
<b>Primary government</b>					
Net investment in capital assets	9,615,588	9,210,797	10,868,439	11,275,331	11,200,903
Restricted	672,083	703,772	849,922	851,790	851,280
Unrestricted	3,221,929	2,432,276	2,384,970	2,558,949	2,731,587
Total primary government	<u>\$ 13,509,600</u>	<u>\$ 12,346,845</u>	<u>\$ 14,103,331</u>	<u>\$ 14,686,070</u>	<u>\$ 14,783,770</u>
	Primary Government				
	2015	2016	2017	2018	2019
<b>Governmental activities</b>					
Net investment in capital assets	\$ 10,076,058	\$10,147,908	\$10,784,751	\$10,814,133	\$ 10,507,580
Restricted	794,661	794,697	702,811	794,778	794,978
Unrestricted	2,488,930	2,624,546	3,018,609	3,229,080	3,957,057
Total governmental activities net position	<u>13,359,649</u>	<u>13,567,151</u>	<u>14,506,171</u>	<u>14,837,991</u>	<u>15,259,615</u>
<b>Business type activities</b>					
Net investment in capital assets	1,158,452	1,108,319	1,058,186	1,023,782	976,271
Restricted	-	-	-	-	-
Unrestricted	29,598	43,603	51,090	71,373	96,505
Total business type activities	<u>1,188,050</u>	<u>1,151,922</u>	<u>1,109,276</u>	<u>1,095,155</u>	<u>1,072,776</u>
<b>Primary government</b>					
Net investment in capital assets	11,234,510	11,256,227	11,842,937	11,837,915	11,483,851
Restricted	794,661	794,697	702,811	794,778	794,978
Unrestricted	2,518,528	2,668,149	3,069,699	3,300,453	4,053,562
Total primary government	<u>\$ 14,547,699</u>	<u>\$ 14,719,073</u>	<u>\$ 15,615,447</u>	<u>\$ 15,933,146</u>	<u>\$ 16,332,391</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**UNAUDITED**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 1,148,876	\$ 1,286,720	\$ 1,547,828	\$ 1,196,728	\$ 1,206,149	\$ 1,653,628	\$ 1,285,970	\$ 1,199,801	\$ 1,129,714	\$ 1,401,894
Public Safety	804,561	835,768	808,026	943,852	1,082,315	1,093,329	1,052,766	1,113,193	1,131,041	1,124,075
Public works	1,185,785	1,272,702	1,288,640	1,298,263	1,608,946	1,827,171	1,671,396	1,786,365	1,659,918	1,745,520
Culture and recreation	423,964	748,023	438,907	434,295	478,474	530,867	518,593	561,434	529,115	619,422
Education	8,912,951	8,858,705	8,957,714	8,989,285	9,378,240	9,450,674	9,409,756	9,234,772	10,250,127	9,530,867
Regional School District No. 19	4,069,389	4,047,308	4,341,454	4,503,368	4,099,908	4,163,435	4,197,296	4,230,939	4,374,374	4,117,765
Townwide	396,744	-	-	-	-	-	-	-	-	-
Interest on long-term debt	82,262	105,003	114,644	101,373	90,735	89,365	89,124	91,115	99,303	70,052
Total governmental activities expenses	<u>17,024,532</u>	<u>17,154,229</u>	<u>17,497,213</u>	<u>17,467,164</u>	<u>17,944,767</u>	<u>18,808,469</u>	<u>18,224,901</u>	<u>18,217,619</u>	<u>19,173,592</u>	<u>18,609,595</u>
Business-type activities:										
Utility	19,487	62,439	68,401	67,067	80,963	72,627	71,604	91,884	61,956	69,984
Total business-type activities expenses	<u>19,487</u>	<u>62,439</u>	<u>68,401</u>	<u>67,067</u>	<u>80,963</u>	<u>72,627</u>	<u>71,604</u>	<u>91,884</u>	<u>61,956</u>	<u>69,984</u>
Total primary government expenses	<u>17,044,019</u>	<u>17,216,668</u>	<u>17,565,614</u>	<u>17,534,231</u>	<u>18,025,730</u>	<u>18,881,096</u>	<u>18,296,505</u>	<u>18,309,503</u>	<u>19,235,548</u>	<u>18,679,579</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General Government	186,728	161,332	240,799	170,064	221,922	192,553	259,730	199,031	264,863	252,359
Public Safety	225,218	196,839	221,818	243,897	236,473	270,043	221,176	216,841	207,777	258,303
Public Works	-	-	-	-	-	-	-	-	-	-
Parks and recreation	84,670	57,773	39,586	30,157	32,431	46,175	32,686	49,851	59,603	91,689
Education	131,859	123,771	126,632	121,048	117,197	184,256	112,860	114,168	110,115	105,842
Operating grants and contributions	5,109,733	5,557,023	5,629,502	5,292,739	5,425,821	5,414,272	5,409,390	5,263,047	5,399,080	4,766,580
Capital grants and contributions	138,284	147,600	229,526	503,844	193,698	539,080	146,450	714,792	16,762	70,899
Total governmental activities program revenues	<u>5,876,492</u>	<u>6,244,338</u>	<u>6,487,863</u>	<u>6,361,749</u>	<u>6,227,542</u>	<u>6,646,379</u>	<u>6,182,292</u>	<u>6,557,730</u>	<u>6,058,200</u>	<u>5,545,672</u>
Business-type activities:										
Charges for services:										
Utility	22,559	20,427	21,725	23,541	32,468	26,576	35,412	49,198	47,747	47,489
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>22,559</u>	<u>20,427</u>	<u>21,725</u>	<u>23,541</u>	<u>32,468</u>	<u>26,576</u>	<u>35,412</u>	<u>49,198</u>	<u>47,747</u>	<u>47,489</u>
Total primary government program revenues	<u>5,899,051</u>	<u>6,264,765</u>	<u>6,509,588</u>	<u>6,385,290</u>	<u>6,260,010</u>	<u>6,672,955</u>	<u>6,217,704</u>	<u>6,606,928</u>	<u>6,105,947</u>	<u>5,593,161</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
**CHANGES IN NET POSITION (CONTINUED)**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**UNAUDITED**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$(11,148,040)	\$(10,909,891)	\$(11,009,350)	\$(11,105,415)	\$(11,717,225)	\$(12,162,090)	\$(12,042,609)	\$(11,659,889)	\$(13,115,392)	\$(13,063,923)
Business-type activities	3,072	(42,012)	(46,676)	(43,526)	(48,495)	(46,051)	(36,192)	(42,686)	(14,209)	(22,495)
Total primary government net expense	<u>(11,144,968)</u>	<u>(10,951,903)</u>	<u>(11,056,026)</u>	<u>(11,148,941)</u>	<u>(11,765,720)</u>	<u>(12,208,141)</u>	<u>(12,078,801)</u>	<u>(11,702,575)</u>	<u>(13,129,601)</u>	<u>(13,086,418)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	10,996,767	11,052,558	11,290,284	11,565,819	11,762,778	11,995,197	12,131,770	12,354,133	13,353,676	13,286,675
Unrestricted grants and contributions	74,902	84,338	141,365	152,569	85,033	92,957	91,664	206,391	97,415	43,567
(Loss) on disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Investment earnings	23,176	14,168	8,116	13,289	15,607	15,731	26,677	38,385	77,071	155,305
Special Item	-	(1,403,928)	-	-	-	-	-	-	-	-
Total governmental activities	<u>11,094,845</u>	<u>9,747,136</u>	<u>11,439,765</u>	<u>11,731,677</u>	<u>11,863,418</u>	<u>12,103,885</u>	<u>12,250,111</u>	<u>12,598,909</u>	<u>13,528,162</u>	<u>13,485,547</u>
Business-type activities:										
Investment earnings	40	24	2	3	2	46	64	40	88	116
Transfers	-	1,403,928	-	-	-	-	-	-	-	-
Total business-type activities	<u>40</u>	<u>1,403,952</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>46</u>	<u>64</u>	<u>40</u>	<u>88</u>	<u>116</u>
Total primary government	<u>11,094,885</u>	<u>11,151,088</u>	<u>11,439,767</u>	<u>11,731,680</u>	<u>11,863,420</u>	<u>12,103,931</u>	<u>12,250,175</u>	<u>12,598,949</u>	<u>13,528,250</u>	<u>13,485,663</u>
<b>Change in Net Position</b>										
Governmental activities	(53,195)	(1,162,755)	430,415	626,262	146,193	(58,205)	207,502	939,020	412,770	421,624
Business-type activities	3,112	1,361,940	(46,674)	(43,523)	(48,493)	(46,005)	(36,128)	(42,646)	(14,121)	(22,379)
Total primary government	<u>\$ (50,083)</u>	<u>\$ 199,185</u>	<u>\$ 383,741</u>	<u>\$ 582,739</u>	<u>\$ 97,700</u>	<u>\$ (104,210)</u>	<u>\$ 171,374</u>	<u>\$ 896,374</u>	<u>\$ 398,649</u>	<u>\$ 399,245</u>

**TOWN OF WILLINGTON, CONNECTICUT**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**UNAUDITED**

	Fiscal Year									
	<u>2010</u>									
General Fund										
Reserved	\$ 168,787									
Unreserved	1,779,101									
Total General Fund	<u>\$ 1,947,888</u>									
All Other Governmental Funds										
Reserved	\$ 2,055									
Reserved, reported in:										
Special revenue funds	1,194,178									
Capital projects funds	898,521									
Total all other governmental funds	<u>\$ 2,110,426</u>									
	<u>2011*</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017**</u>	<u>2018</u>	<u>2019</u>	
General Fund										
Restricted	\$ -	\$ -	\$ -	\$ 208,124	\$ 208,124	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	570,100	557,088	509,256	468,486	571,779	526,339	566,345	590,441	564,017	564,017
Assigned	473,892	448,670	454,926	539,175	342,097	401,335	634,964	184,374	521,704	521,704
Unassigned	1,450,023	1,876,686	1,946,688	1,866,264	1,588,620	1,966,148	1,819,030	2,560,044	2,835,968	2,835,968
Total General Fund	<u>\$ 2,494,015</u>	<u>\$ 2,882,444</u>	<u>\$ 2,910,870</u>	<u>\$ 3,082,049</u>	<u>\$ 2,710,620</u>	<u>\$ 2,893,822</u>	<u>\$ 3,020,339</u>	<u>\$ 3,334,859</u>	<u>\$ 3,921,689</u>	<u>\$ 3,921,689</u>
All Other Governmental Funds										
Nonspendable	\$ 2,387	\$ 1,706	\$ 790,583	\$ 779,987	\$ 733,892	\$ 723,897	\$ 1,358	\$ 1,655	\$ 1,511	\$ 1,511
Restricted	-	-	63,283	73,369	69,185	74,526	794,733	794,778	794,978	794,978
Committed	1,039,433	821,841	1,005,901	1,234,172	1,314,220	1,294,992	1,368,134	1,373,399	1,526,068	1,526,068
Unassigned	(66,046)	(109,171)	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 975,774</u>	<u>\$ 714,376</u>	<u>\$ 1,859,767</u>	<u>\$ 2,087,528</u>	<u>\$ 2,117,297</u>	<u>\$ 2,093,415</u>	<u>\$ 2,164,225</u>	<u>\$ 2,169,832</u>	<u>\$ 2,322,557</u>	<u>\$ 2,322,557</u>

\* - In 2011 the Town implemented the guidance in GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

\*\* - In 2017 the Town reclassified the portion of fund balance relating to long-term loans receivable from nonspendable to restricted.



**TOWN OF WILLINGTON, CONNECTICUT**  
**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**UNAUDITED**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Taxes	\$ 11,056,874	\$ 10,996,151	\$ 11,325,330	\$ 11,633,950	\$ 11,710,518	\$ 11,995,834	\$ 12,147,592	\$ 12,376,087	\$ 13,282,953	\$ 13,335,254
Licenses, fees and permits	578,172	498,499	555,071	481,206	515,906	511,631	567,048	511,608	551,950	621,429
Intergovernmental	5,298,338	5,702,429	5,743,765	5,858,800	5,671,403	6,046,309	5,521,823	6,153,258	4,887,954	5,523,412
Investment earnings	23,176	14,168	8,116	13,289	15,607	15,731	24,726	38,385	77,071	155,305
Other revenues	176,862	133,748	152,660	174,312	125,266	181,396	187,395	99,255	90,463	86,315
<b>Total revenues</b>	<b>17,133,422</b>	<b>17,344,995</b>	<b>17,784,942</b>	<b>18,161,557</b>	<b>18,038,700</b>	<b>18,750,901</b>	<b>18,448,584</b>	<b>19,178,593</b>	<b>18,890,391</b>	<b>19,721,715</b>
<b>Expenditures</b>										
General government	1,028,705	947,647	1,464,786	1,126,690	1,128,337	1,190,399	1,088,490	1,146,497	1,071,967	1,277,908
Public Safety	703,816	734,964	764,927	864,564	927,083	936,694	935,742	1,010,169	968,282	987,800
Miscellaneous	396,744	535,855	-	-	-	-	-	-	-	-
Public works	1,139,121	1,157,346	1,081,972	1,285,478	1,428,910	1,458,819	1,437,980	1,514,918	1,421,826	1,413,014
Culture and recreation	328,953	660,698	348,050	338,515	369,409	345,355	378,539	439,418	401,501	448,390
Education	12,704,676	12,640,106	13,152,418	13,396,260	13,313,276	13,428,361	13,407,939	13,462,680	13,871,149	14,153,111
Capital outlay	170,680	1,425,000	384,187	356,466	413,348	1,497,647	1,359,563	935,085	554,800	283,321
Debt service:										
Interest	86,757	105,856	115,466	102,194	91,869	90,257	89,930	91,921	100,117	70,642
Principal	466,507	325,376	362,905	299,121	260,969	306,615	415,957	411,378	394,622	347,974
<b>Total expenditures</b>	<b>17,025,959</b>	<b>18,532,848</b>	<b>17,674,711</b>	<b>17,769,288</b>	<b>17,933,201</b>	<b>19,254,147</b>	<b>19,114,140</b>	<b>19,012,066</b>	<b>18,784,264</b>	<b>18,982,160</b>
Excess of revenues over (under) expenditures	107,463	(1,187,853)	110,231	392,269	105,499	(503,246)	(665,556)	166,527	106,127	739,555

**TOWN OF WILLINGTON, CONNECTICUT**  
**CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS (Continued)**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**UNAUDITED**

<b>Other Financing Sources (Uses)</b>	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Proceeds from sale of capital assets	\$ -	\$ -	\$ 16,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital lease financing	-	615,000	-	-	293,442	161,586	824,875	30,800	214,000	-
Transfers in	493,846	429,819	387,716	800,426	1,034,162	1,245,719	971,089	1,077,144	1,045,172	992,196
Transfers out	(493,846)	(429,819)	(387,716)	(800,426)	(1,034,162)	(1,245,719)	(971,089)	(1,077,144)	(1,045,172)	(992,196)
Total other financing sources (uses)	-	615,000	16,800	-	293,442	161,586	824,875	30,800	214,000	-
Net change in fund balances	<u>\$ 107,463</u>	<u>\$ (572,853)</u>	<u>\$ 127,031</u>	<u>\$ 392,269</u>	<u>\$ 398,941</u>	<u>\$ (341,660)</u>	<u>\$ 159,319</u>	<u>\$ 197,327</u>	<u>\$ 320,127</u>	<u>\$ 739,555</u>
Debt service as a percentage of noncapital expenditures	3.3%	2.5%	2.8%	2.3%	2.0%	2.2%	2.8%	2.8%	2.7%	2.2%

**TOWN OF WILLINGTON, CONNECTICUT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Fiscal Year Ended June 30,	Residential Property	Commercial & Industrial Property	All Other Land	Personal Property	Motor Vehicle	Less: Tax Exempt Property	Total Taxable Assessed Value	(1) Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2010	326,155,040	78,302,630	17,119,040	12,887,480	36,125,337	1,483,142	469,106,385	23.35	672,270,753	70%
2011	327,140,360	78,528,290	16,749,020	13,627,035	37,577,401	1,882,904	471,739,202	23.40	676,603,009	70%
2012	329,875,350	78,711,600	16,273,870	14,342,968	38,987,880	2,252,390	475,939,278	23.58	683,130,954	70%
2013	331,342,650	77,308,500	15,748,930	15,526,645	41,511,660	2,341,600	479,096,785	23.96	687,769,121	70%
2014	332,443,930	77,563,090	15,282,280	15,737,699	40,998,970	2,258,220	479,767,749	24.38	688,608,527	70%
2015	295,268,930	69,853,590	13,321,050	16,418,889	42,473,795	2,216,650	435,119,604	27.34	624,766,077	70%
2016	296,232,940	70,089,700	13,381,460	17,552,290	44,041,040	2,208,640	439,088,790	27.34	630,424,900	70%
2017	296,475,230	70,139,760	12,814,420	20,340,206	43,721,021	2,464,590	441,026,047	27.73	633,558,053	70%
2018	295,489,640	70,148,810	12,791,650	21,687,160	43,175,430	3,042,560	440,250,130	30.09	633,275,271	70%
2019	291,044,068	72,221,498	12,789,870	22,323,060	45,053,915	3,157,570	440,274,841	30.09	633,474,873	70%

(1) The Direct Tax Rate shown above is the mill rate. The mill rate is divided by 1,000 and then multiplied by the taxable assessed value in arriving at the current property tax levy.

**Notes:** Taxes for the fiscal year are levied based on the Grand List of October 1 and are due July 1 payable in two installments, one-half July 1 and one-half January 1 with the exception of motor vehicles which are due July 1. Failure to pay any installment within one month of the installment due date makes the installment delinquent and subject to an interest charge of 1-1/2% per month or \$2.00 minimum interest charge, whichever is greater. Real estate is liened for delinquent taxes unpaid within one year after the due date. The amount collected to the end of each fiscal year represents collections of twelve months.

Revaluation was completed and effective for October 1, 2008 grand list and October 1, 2013 grand list.

**Source:** Town of Willington, Office of the Assessor

**TOWN OF WILLINGTON, CONNECTICUT  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND TEN YEARS AGO  
UNAUDITED**

<u>Taxpayer</u>	FISCAL YEAR					
	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
FEDEX Ground Package System	22,559,428	1	5.12%	21,000,000	1	4.48%
GLK Realty LTD Partnership	8,910,970	2	2.02%	10,571,410	2	2.25%
Connecticut Light & Power	8,445,980	3	1.92%	3,987,890	6	0.85%
UConn Cedar LLC fka Storrs Polo Run Limited Partnership	6,274,740	4	1.43%	4,955,440	4	1.06%
Willington Oak Apartments fka Ing US Students No 7 LLC	5,667,260	5	1.29%	6,459,600	3	1.38%
Royce Properties LLC	4,154,030	6	0.94%	4,891,510	5	1.04%
Becker Lawrence	2,411,840	7	0.55%	2,622,770	7	0.56%
Perryridge Investors LLC	2,328,340	8	0.53%	2,422,350	9	0.52%
Willington Woods Senior Housing	1,836,830	9	0.42%			
Deer Park Apts LLC	1,782,220	10	0.40%	1,990,800	10	0.42%
Services Development Corp now all FEDEX Ground Package				2,548,470	8	0.54%
<b>Total</b>	<b>64,371,638</b>		<b>14.62%</b>	<b>61,450,240</b>		<b>13.10%</b>

**Note:** A property revaluation was performed on the grand list dated October 1, 2013.

**Source:** Town of Willington, Office of the Assessor.

**TOWN OF WILLINGTON, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED**

Fiscal Year Ended June 30,	Original Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 11,004,367	\$ 10,911,259	99.15%	\$ 87,109	10,998,368	99.95%
2011	11,101,296	10,919,642	98.36%	157,998	11,077,640	99.79%
2012	11,253,644	11,150,609	99.08%	95,136	11,245,745	99.93%
2013	11,555,108	11,483,077	99.38%	54,045	11,537,122	99.84%
2014	11,778,438	11,659,945	98.99%	94,447	11,754,392	99.80%
2015	11,973,926	11,900,866	99.39%	92,935	11,993,801	100.17%
2016	12,129,963	12,029,030	99.17%	31,112	12,060,142	99.42%
2017	12,376,257	12,264,642	99.10%	50,710	12,315,352	99.51%
2018	13,328,016	13,196,061	99.01%	56,032	13,252,093	99.43%
2019	13,236,107	13,134,708	99.23%	-	13,134,708	99.23%

**Source:** Town of Willington, Office of the Tax Collector.

Table 8

**TOWN OF WILLINGTON, CONNECTICUT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Fiscal Year</b>	<b>Net General Obligation Bonds</b>	<b>Unamortized Premium</b>	<b>Capital Lease Obligations</b>	<b>Total Primary Government</b>	<b>Percentage of Actual Property Value (1)</b>	<b>Percentage of Personal Income (2)</b>	<b>Total Debt Per Capita (2)</b>	<b>Net Bonded Debt Per Capita (2)</b>
2010	\$ 2,550,000	\$ 5,827	\$ 326,352	\$ 2,882,179	0.43%	1.46%	\$ 467	\$ 413
2011	2,400,000	5,474	765,976	3,171,450	0.47%	1.83%	525	397
2012	2,255,121	5,121	553,071	2,813,313	0.41%	1.51%	466	374
2013	2,104,768	4,768	403,952	2,513,488	0.37%	1.36%	419	351
2014	1,954,415	4,415	586,425	2,545,255	0.37%	1.22%	427	328
2015	1,804,062	4,062	591,396	2,399,520	0.38%	1.49%	404	304
2016	1,653,709	3,709	1,150,314	2,807,732	0.45%	1.40%	475	280
2017	1,500,000	3,356	919,346	2,422,702	0.38%	1.06%	413	255
2018	1,350,000	3,003	888,725	2,241,728	0.35%	0.96%	379	228
2019	1,200,000	2,650	689,036	1,891,686	0.30%	0.81%	321	204

**Note:** Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

- (1) See Table 5 for taxable property value data
- (2) See Table 10 for personal income and population data

**TOWN OF WILLINGTON, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Legal Debt Margin Calculation:</b>										
Total cash collections for the fiscal year:										
Taxes	\$ 11,019,197	\$ 10,960,912	\$ 11,253,385	\$ 11,560,331	\$ 11,687,174	\$ 11,963,225	\$ 12,085,613	\$ 12,325,957	\$ 13,238,250	\$ 13,207,045
Interest and lien fees	57,246	60,520	77,913	66,204	54,424	62,716	55,494	46,579	48,976	50,084
	<u>11,076,443</u>	<u>11,021,432</u>	<u>11,331,298</u>	<u>11,626,535</u>	<u>11,741,598</u>	<u>12,025,941</u>	<u>12,141,107</u>	<u>12,372,536</u>	<u>13,287,226</u>	<u>13,257,129</u>
Reimbursements for revenue loss:										
Tax relief (CGS 12-129d)	17,165	17,717	20,031	18,467	15,632	16,658	14,699	13,501	1,033	-
Base	<u>\$ 11,093,608</u>	<u>\$ 11,039,149</u>	<u>\$ 11,351,329</u>	<u>\$ 11,645,002</u>	<u>\$ 11,757,230</u>	<u>\$ 12,042,599</u>	<u>\$ 12,155,806</u>	<u>\$ 12,386,037</u>	<u>\$ 13,288,259</u>	<u>\$ 13,257,129</u>
<b>Indebtedness:</b>										
General Purposes:										
Bonds payable	\$ 2,550,000	\$ 2,400,000	\$ 2,250,000	\$ 2,100,000	\$ 1,950,000	\$ 1,800,000	\$ 1,650,000	\$ 1,500,000	\$ 1,350,000	\$ 1,200,000
Authorized, unissued bonds	-	-	-	-	-	-	-	-	-	-
Subtotal general purposes	<u>2,550,000</u>	<u>2,400,000</u>	<u>2,250,000</u>	<u>2,100,000</u>	<u>1,950,000</u>	<u>1,800,000</u>	<u>1,650,000</u>	<u>1,500,000</u>	<u>1,350,000</u>	<u>1,200,000</u>
Schools:										
Bonds payable	-	-	-	-	-	-	-	-	-	-
Regional School District 19	1,018,288	3,293,184	3,134,832	1,010,122	843,236	672,026	506,533	375,779	273,668	239,894
Authorized, unissued bonds, Regional School District 19	-	-	-	-	-	-	-	-	-	215,556
Subtotal schools	<u>1,018,288</u>	<u>3,293,184</u>	<u>3,134,832</u>	<u>1,010,122</u>	<u>843,236</u>	<u>672,026</u>	<u>506,533</u>	<u>375,779</u>	<u>273,668</u>	<u>455,450</u>
Total indebtedness	<u>\$ 3,568,288</u>	<u>\$ 5,693,184</u>	<u>\$ 5,384,832</u>	<u>\$ 3,110,122</u>	<u>\$ 2,793,236</u>	<u>\$ 2,472,026</u>	<u>\$ 2,156,533</u>	<u>\$ 1,875,779</u>	<u>\$ 1,623,668</u>	<u>\$ 1,655,450</u>
Total capacity of borrowing (7 times ba:	\$ 77,655,256	\$ 77,274,043	\$ 79,459,303	\$ 81,515,014	\$ 82,300,610	\$ 84,298,193	\$ 85,090,642	\$ 86,702,259	\$ 93,017,813	\$ 92,799,903
Total present indebtedness	3,568,288	5,693,184	5,384,832	3,110,122	2,793,236	2,472,026	2,156,533	1,875,779	1,623,668	1,655,450
Margin for additional borrowing	<u>\$ 74,086,968</u>	<u>\$ 71,580,859</u>	<u>\$ 74,074,471</u>	<u>\$ 78,404,892</u>	<u>\$ 79,507,374</u>	<u>\$ 81,826,167</u>	<u>\$ 82,934,109</u>	<u>\$ 84,826,480</u>	<u>\$ 91,394,145</u>	<u>\$ 91,144,453</u>
Total net debt applicable to the debt limit as a percentage of the debt limit	<u>5%</u>	<u>7%</u>	<u>7%</u>	<u>4%</u>	<u>3%</u>	<u>3%</u>	<u>3%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>

Note: Connecticut General Statutes, Section 7-374(b) limits the amount of general obligation debt a government entity may incur to 7 times total tax collections, including interest and lien fees and the tax relief for the elderly freeze grant.

**TOWN OF WILLINGTON, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Year</b>	<b>( 1 ) Population</b>	<b>Personal Income</b> <i>(in thousands)</i>	<b>( 2 ) Per Capita Personal Income</b>	<b>( 3 ) Median Age</b>	<b>( 4 ) School Enrollment</b>	<b>( 5 ) Unemployment Rate</b>
2010	6,169	\$ 197,976	\$32,092	34.8	782	6.9%
2011	6,041	173,159	28,664	34.0	792	7.1%
2012	6,033	185,865	30,808	46.0	755	6.9%
2013	5,994	184,663	30,808	32.0	713	6.3%
2014	5,965	208,274	34,916	35.0	708	5.9%
2015	5,934	160,586	27,062	35.0	660	3.9%
2016	5,908	200,482	33,934	36.0	661	4.7%
2017	5,872	229,337	39,056	37.0	648	3.8%
2018	5,921	234,679	39,635	37.0	649	4.4%
2019	5,887	233,331	39,635	36.0	628	2.6%

( 1 ) Connecticut Department of Public Health Census Website,  
<http://www.ct.gov/dph/PopulationData>

( 2 ) U.S. Census Bureau, American FactFinder  
<http://factfinder.census.gov>

( 3 ) Connecticut Economic Resource Center, Inc Town Profile 2018  
<http://www.cerc.com>

(4) EFS October 2018 and Regional District 19 Proposed Budget 2019-2020

(5) Connecticut Department of Labor, Office of Research  
<http://www1.ctdol.state.ct.us/lmi/LAUS/lmi123.asp>



**TOWN OF WILLINGTON, CONNECTICUT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO  
UNAUDITED**

<u>Employer</u>	<u>2019</u>			<u>2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
FedEx Ground	850	1	23.59%	600	1	15.99%
Town of Willington	131	2	3.64%	145	3	3.86%
Travel Centers of America	123	3	3.41%	170	2	4.53%
Willington Pizza	82	4	2.28%	65	4	1.73%
Kids Kingdom	28	5	0.78%			
St of Ct - Depart of Transportatior	25	6	0.69%	25	5	0.67%
Hilltop Restaurant Bar & Banquet	22	7	0.61%			
Becker Construction	21	8	0.58%	24	6	0.64%
Cable Technology, Inc	21	9	0.58%	17	7	0.45%
Mycoscience Labs	13	10	0.36%			
High Chase (Lyon Manor)				13	8	0.35%
Key Bank (New Alliance)				7	9	0.19%
Rodeway Inn				4	10	0.11%
<b>Total</b>	<b><u>1,316</u></b>		<b><u>36.53%</u></b>	<b><u>1,070</u></b>		<b><u>28.52%</u></b>

Source: Town of Willington Finance Office

**TOWN OF WILLINGTON, CONNECTICUT**  
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

<b>Function/Program</b>	<b>Full-time Equivalent Employees as of June 30</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>General government</b>										
Management services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.9
Finance	4.2	4.2	4.2	4.2	4.2	4.2	4.1	4.1	3.6	3.6
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Building	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.0
Other	4.6	4.6	4.1	4.1	4.1	4.3	4.3	4.3	5.0	4.9
<b>Fire</b>										
Volunteer Firefighters	49.0	58.0	65.0	45.0	47.0	42.0	43.0	45.0	43.0	28.0
Transfer Station	1.2	1.2	1.2	1.2	1.0	1.0	1.0	1.0	1.0	1.0
Other public works	5.1	5.1	5.2	5.2	5.8	5.8	5.8	5.8	5.8	5.8
Parks and recreation	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.9	0.9
Library	3.1	3.4	3.4	3.9	3.5	3.5	3.5	3.5	3.5	3.5
<b>Total</b>	<b>76.3</b>	<b>85.6</b>	<b>92.2</b>	<b>72.6</b>	<b>74.6</b>	<b>69.8</b>	<b>70.7</b>	<b>72.7</b>	<b>71.1</b>	<b>54.6</b>

Note: A full-time employee is scheduled to work 40 hours per week (including vacation and sick leave).  
Full-time equivalent employment is calculated by dividing total labor by 40.

Source: Town of Willington, Treasurer's Office.

Table 13

**TOWN OF WILLINGTON, CONNECTICUT**  
**OPERATING INDICATORS BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**Unaudited**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Fire</b>										
Emergency responses	1,058	1,693	877	798	748	838	849	839	819	913
Inspections	489	591	489	341	318	309	294	370	370	315
<b>Refuse collection</b>										
Refuse collected (tons per year)	2,043.0	1,933.2	1,855.3	1,664.7	1,666.7	1,669.3	1,511.2	1,340.3	1,351.0	1,269.0
Recyclables collected (tons per ye	770.3	710.1	705.9	695.2	582.7	599.6	585.7	565.4	582.0	495.9
<b>Other public works</b>										
Street resurfacing (miles)	8.0	8.0	4.9	4.9	6.8	3.4	3.75	3.39	3.69	3.60
<b>Library</b>										
Volumes in collection	37,470	37,470	37,470	44,496	49,192	54,301	57,596	46,065	47,962	47,962

Source: Various Town departments.

Table 14

**TOWN OF WILLINGTON, CONNECTICUT  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Fire stations	3	3	3	3	3	3	3	3	3	3
Other public works										
Streets (miles)	73.9	73.9	73.9	73.9	73.9	73.9	73.9	73.9	73.9	73.9
Streetlights	16	16	16	16	16	16	16	16	16	16
Traffic signals	4	4	4	4	4	4	4	4	4	4
Parks and recreation										
Acreage	292	292	292	298	292	292	292	292	292	292
Playgrounds	2	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	6	6	6	7	5	5	5	5	5	5
Soccer/football fields	3	3	3	4	3	3	3	3	3	3

Source: Various Town departments.