

**TOWN OF WILLINGTON,
CONNECTICUT**



COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2020

TOWN OF WILLINGTON, CONNECTICUT
Comprehensive Annual Financial Report
Year Ended June 30, 2020

Prepared by:
Finance Department
Laurie Mazich Semprebon, Treasurer
Donna Latincsics, Business Manager

TOWN OF WILLINGTON, CONNECTICUT
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Introductory Section

Town of Willington

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

December 28, 2020

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, 2020 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 auditor’s 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 auditor’s 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.

Profile of the Town of Willington (*Continued*)

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. Normally, the budget process is as follows: 1) a budget hearing is held in April, at which time taxpayer comments are obtained; 2) at the beginning of May, the annual Town meeting is held for a discussion of the budget; 3) the annual Town meeting is followed by a referendum, 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); 4) the operating budget includes proposed expenditures and the means of financing them and must be legally enacted prior to July 1.

Because of the worldwide pandemic of 2020, the Town's fiscal year 20-21 budget process followed executive orders by Governor Lamont: 1) all meetings were held virtually, through online forums such as Zoom and Go To Meeting (Executive Orders No. 7HH and 7B), including the virtual Town meeting on May 21, 2020; 2) the Board of Finance reviewed all budgets for a second time in consideration of financial uncertainty; and 3) the Board of Finance adopted the Town of Willington 20-21 budget and established the mill rate on May 28, 2020, at a public virtual meeting (Executive Order No. 7I, Section 13, Mandatory Suspension of In-Person Voting Requirements by Members of the Public on Municipal Budgets).

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 and a non-lapsing BOE account. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year. A Non-lapsing Account for the Willington Board of Education (as permitted by Connecticut General Statute 10-248a) is to be used for future BOE non-recurring or unanticipated funding needs (including emergency capital or maintenance needs and unanticipated outside student placements and associated costs), up to 1.0% of the amount appropriated to the BOE for that fiscal year (with a maximum of 3.0% of the most current fiscal year K-8 education budget total). 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.

Profile of the Town of Willington (*Continued*)

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 Region 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.

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 over 99 percent. The commercial/industrial operations in the Town have consistently provided a significant portion of property taxes.

Local Economy (*Continued*)

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, re-aligning the parking areas to maximize the flow, and upgrading their outside lighting (keeping within Dark Sky guidelines).

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 kennel, research facilities, and other small service establishments. Dollar General was the newest business addition in the previous fiscal year, located adjacent to Phelps Crossing.

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 working through final DEEP State approvals and are expected to begin the zoning and building process once these approvals are received.

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 2020 included: upgrading the phone systems for Hall Memorial School, Center School, and the Town Office Building; roof patching at both Center School and Hall Memorial School; the replacement of the Hall Memorial School oil tank, and replacement of the Hall Memorial School boiler. Projects begun in FY19-20 were repair of the public works salt shed, a deposit to replace the Public Works diesel tank (with work to be completed in the fall of 2020), improvement of drainage on Village Hill Road, and purchase and implementation of new accounting software for the finance department,. An unexpected project was the purchase of a new Public Works plow truck.

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 are 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. Some funds are also kept in a savings account with our bank, People's United, depending on which account has higher interest yields.

Town Defined Benefit Plan

The Town maintains the Town of Willington Pension Plan ("Plan"), a single-employer, contributory, defined benefit pension plan covering three 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 Town of Willington's comprehensive annual financial report for the year ended June 30, 2019 has been awarded the Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association of the United States and Canada (GFOA). This was the twentieth consecutive year that the government has achieved this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This 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,

Laurie Mazich Semprebón

Laurie Mazich Semprebón
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, 2019

Christopher P. Morill

Executive Director/CEO

**TOWN OF WILLINGTON, CONNECTICUT
PRINCIPAL OFFICIALS
JUNE 30, 2020**

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.....	Michael Makuch
Town Treasurer.....	Laurie Mazich Semprebon
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

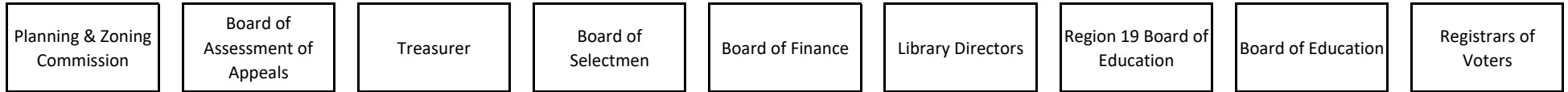
Tracey Anderson
Herbert C. Arico, Chairman
Donna V. Cook
Michelle Cunningham
Ann Grosjean, Vice Chairman
Laura Rodriquez
Elena Testa, Vice Chairman

BOARD OF FINANCE

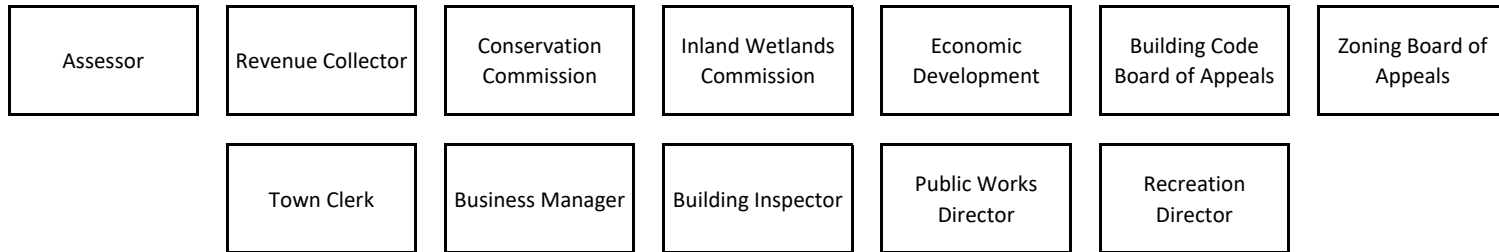
George Matthew Clark
Christina Mailhos
Michael Makuch, Chairman
Mike Perry, Alternate
Geoffrey Prusak, Vice Chairman
Stephanie Summers
Peter Tanaka
Elisabeth Woolf, Alternate

TOWN OF WILLINGTON, CONNECTICUT
ORGANIZATIONAL CHART
AS OF JUNE 30, 2020

VOTERS ELECT



BOARD OF SELECTMEN APPOINTS



Financial Section

INDEPENDENT AUDITOR'S REPORT

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, 2020, 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, 2020, 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 60 through 69 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 70 through 88 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 89 through 105 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 28, 2020, 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 28, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF WILLINGTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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, 2020. 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 \$16,592,312 (net position). Of this amount, \$3,340,441 represents the Town's unrestricted net position. The Town's total overall net position increased by \$259,921 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 \$6,427,909, an increase of \$183,663 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 \$2,644,892, or 14.9% of the Town's fiscal year 2021 General Fund budgetary expenditure appropriations of \$17,772,519. Expressed another way, unassigned fund balance of the General Fund was sufficient to cover 1.8 months of General Fund operating expenditures.
- The Town's total long-term debt, consisting of general obligation bonds and capital lease obligations, decreased by \$243,427 during the fiscal year from \$1,889,036 as of June 30, 2019 to \$1,645,609 as of June 30, 2020.

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, 2020

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 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, 2020

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 59 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 60 through 69 of this report. Combining and individual fund statements and schedules can be found on pages 70 through 88 of this report and statistical information can be found starting on page 89.

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 \$16,592,312 as of June 30, 2020 and \$16,332,391 as of June 30, 2019.

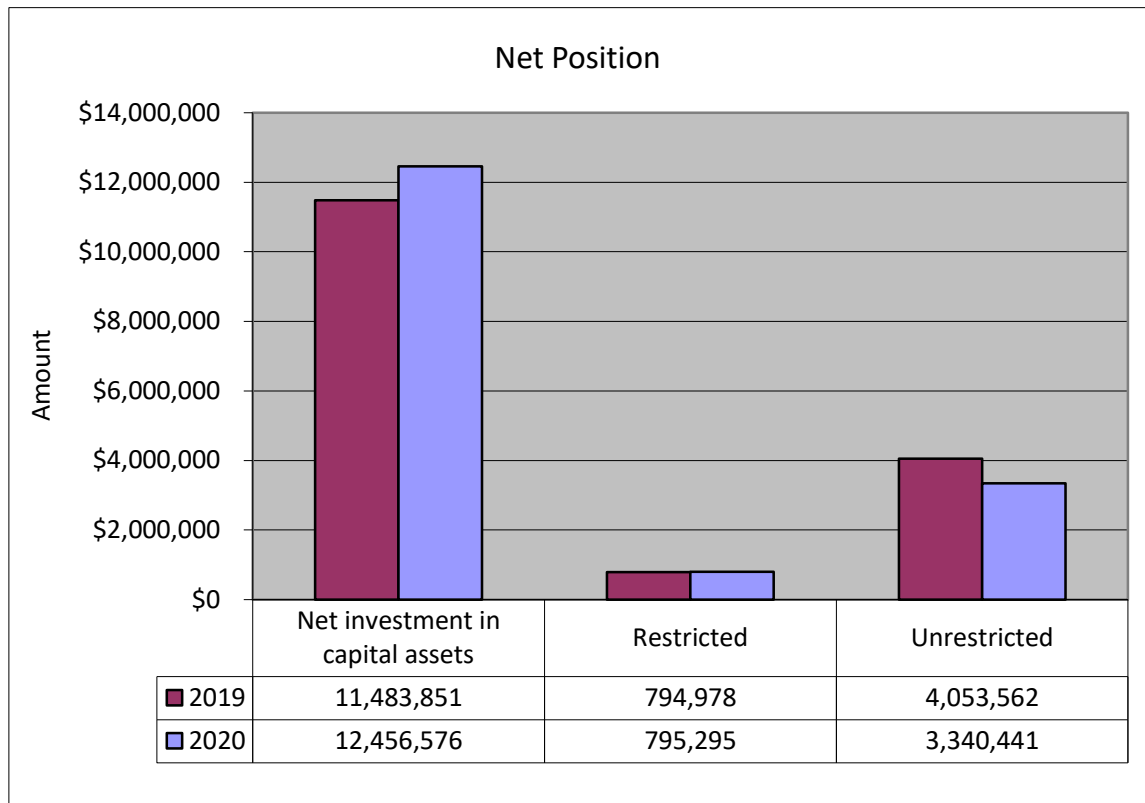
TOWN OF WILLINGTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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	2020	2019		
	2020	2020	2020	2019		
Current and other assets	\$ 7,762,883	\$ 84,914	\$ 7,847,797	\$ 7,511,328	\$ 336,469	4.5%
Capital assets	12,309,642	930,709	13,240,351	13,377,252	(136,901)	-1.0%
Total assets	20,072,525	1,015,623	21,088,148	20,888,580	199,568	1.0%
Deferred outflows of resources	932,113	-	932,113	138,206	793,907	574.4%
Other liabilities	1,170,979	(33,369)	1,137,610	1,063,517	74,093	7.0%
Long-term liabilities	4,205,860	-	4,205,860	3,535,553	670,307	19.0%
Total liabilities	5,376,839	(33,369)	5,343,470	4,599,070	744,400	16.2%
Deferred inflows of resources	84,479	-	84,479	95,325	(10,846)	-11.4%
Net position:						
Net investment in capital assets	11,525,867	930,709	12,456,576	11,483,851	972,725	8.5%
Restricted	795,295	-	795,295	794,978	317	0.0%
Unrestricted	3,222,158	118,283	3,340,441	4,053,562	(713,121)	-17.6%
Total net position	\$ 15,543,320	\$ 1,048,992	\$ 16,592,312	\$ 16,332,391	\$ 259,921	1.6%



TOWN OF WILLINGTON, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position (Continued)

As of June 30, 2020 and 2019, approximately 75.1% and 70.3% 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, 2020 and 2019, approximately 4.8% and 4.9% 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

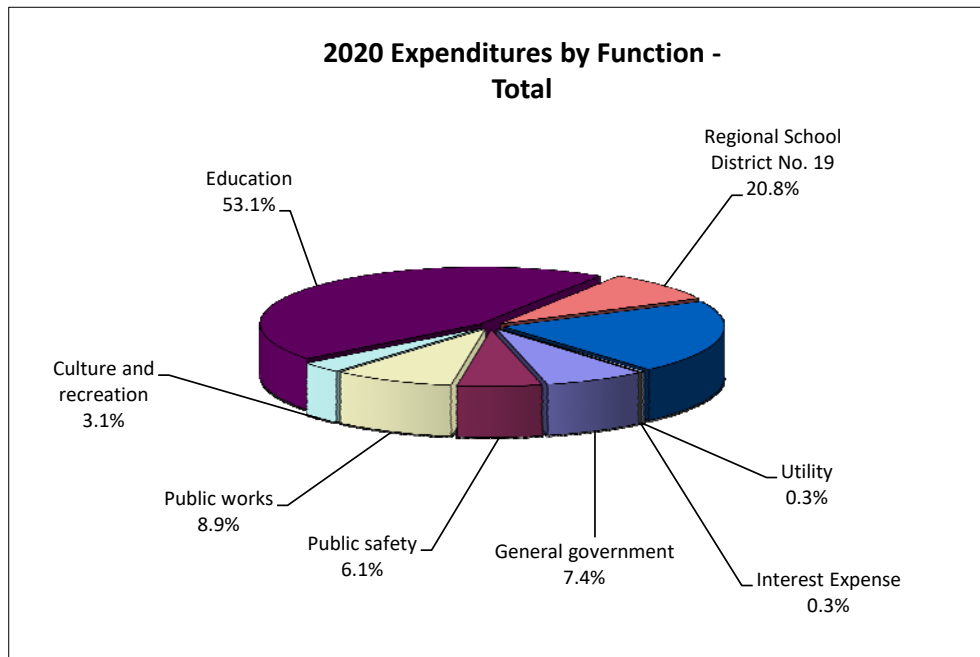
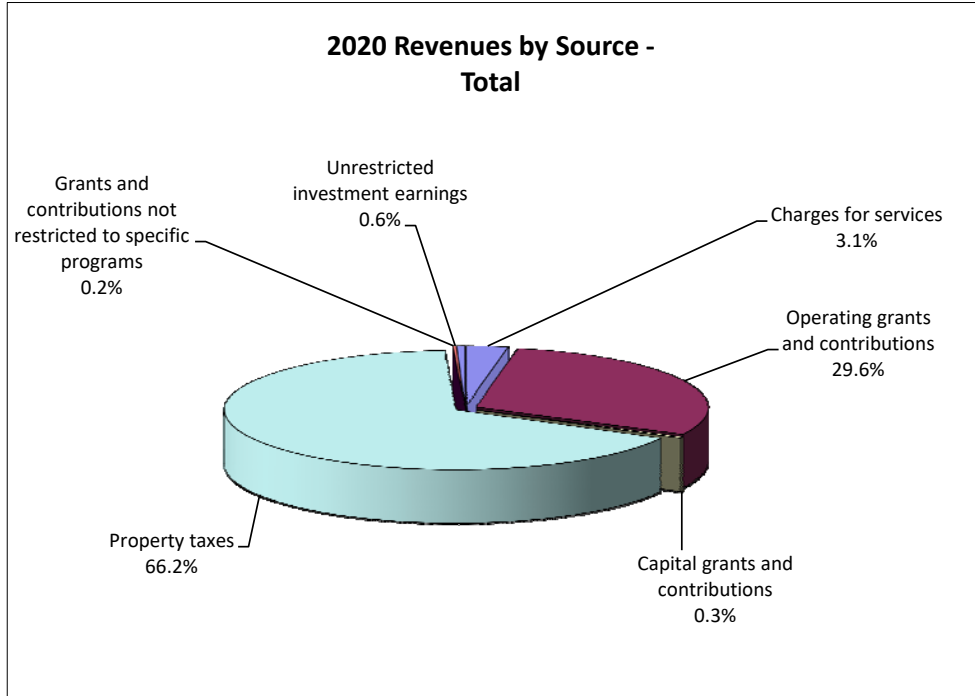
Overall, the Town's net position increased by \$259,921 compared to a prior year increase of \$399,245. Changes in net position for the years ended June 30, 2020 and 2019 are as follows.

	Governmental Activities	Business-Type Activities	Total		\$ Variance	% Variance
	2020	2020	2020	2019		
Revenues						
Program revenues:						
Charges for services	\$ 590,635	\$ 45,753	\$ 636,388	\$ 755,682	\$ (119,294)	-15.8%
Operating grants and contributions	6,036,500	-	6,036,500	4,766,580	1,269,920	26.6%
Capital grants and contributions	63,694	-	63,694	70,899	(7,205)	-10.2%
General revenues:						
Property taxes, levied for general purposes	13,498,100	-	13,498,100	13,286,675	211,425	1.6%
Grants and contributions not restricted to specific programs	48,152	-	48,152	43,567	4,585	10.5%
Unrestricted investment earnings	116,417	127	116,544	155,421	(38,877)	-25.0%
Total revenues	<u>20,353,498</u>	<u>45,880</u>	<u>20,399,378</u>	<u>19,078,824</u>	<u>1,320,554</u>	6.9%
Expenses						
General government	1,487,717	-	1,487,717	1,401,894	85,823	6.1%
Public safety	1,237,537	-	1,237,537	1,124,075	113,462	10.1%
Public works	1,782,969	-	1,782,969	1,745,520	37,449	2.1%
Culture and recreation	617,299	-	617,299	619,422	(2,123)	-0.3%
Education	8,955,358	-	8,955,358	8,981,123	(25,765)	-0.3%
Education - State Teachers' Retirement	1,733,373	-	1,733,373	549,744	1,183,629	215.3%
Regional School District No. 19	4,196,986	-	4,196,986	4,117,765	79,221	1.9%
Interest expense	58,554	-	58,554	70,052	(11,498)	-16.4%
Utility	-	69,664	69,664	69,984	(320)	-0.5%
Total expenses	<u>20,069,793</u>	<u>69,664</u>	<u>20,139,457</u>	<u>18,679,579</u>	<u>1,459,878</u>	7.8%
Change in net position	283,705	(23,784)	259,921	399,245	<u>\$ (139,324)</u>	-34.9%
Net position - beginning	<u>15,259,615</u>	<u>1,072,776</u>	<u>16,332,391</u>	<u>15,933,146</u>		
Net position - ending	<u>\$ 15,543,320</u>	<u>\$ 1,048,992</u>	<u>\$ 16,592,312</u>	<u>\$ 16,332,391</u>		

TOWN OF WILLINGTON, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Changes in Net Position *(Continued)*

Governmental activities increased the Town's net position by \$283,705 in the current year. Business-type activities decreased the Town's net position by \$23,784 in the current year.

Total revenues increased by \$1,320,554 or 6.9% over the prior year and total expenses increased by \$1,459,878 or 7.8%. Operating grants increased by \$1,269,920 or 26.6% primarily due to an increase of \$1,183,629 in on-behalf pension and OPEB expenses recognized in connection with the Town's participation in the Connecticut State 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 \$6,427,909, an increase of \$183,663 in comparison with prior year. Of this amount, \$2,644,892 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 \$2,644,892, while total fund balance was \$4,187,370. 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 14.9% of the Town's fiscal year 2021 General Fund budgetary expenditure appropriations of \$17,772,519. Expressed another way, unassigned fund balance of the General Fund was sufficient to cover 1.8 months of General Fund operating expenditures.

The fund balance of the Town's General Fund increased by \$265,681 due to favorable budgetary variances discussed below.

Capital Projects Fund

At the end of the current fiscal year, the Town's Capital Projects Fund had a fund balance of \$216,186, an increase of \$39,210 over the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's original budget planned for the use of fund balance in the amount of \$410,000 to balance revenues and expenditures. During the year, the Town appropriated an additional \$240,251 from fund balance, resulting in a final planned use of fund balance in the amount of \$650,251. In addition, the Board of Finance authorized the transfer of a portion of the current year education surplus in the amount of \$173,781 to the Board of Education Nonlapsing Fund.

TOWN OF WILLINGTON, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

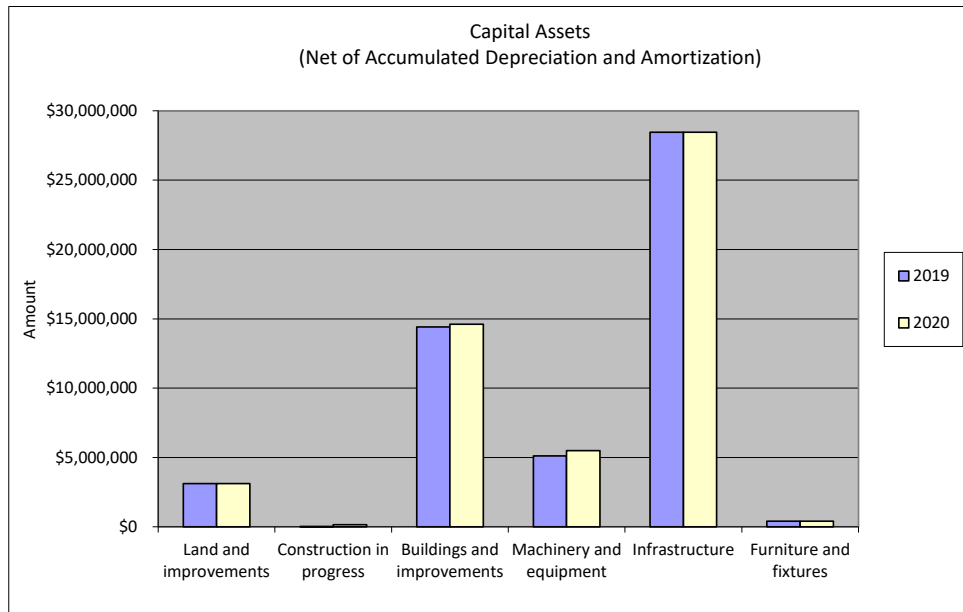
The actual change in the fund balance was an increase of \$71,925, resulting in an overall favorable budgetary variance of \$722,176. Actual revenues were \$314,441 more than budgeted and actual expenditures were \$407,735 less than budgeted. The revenue surplus was driven by better than expected property tax collections and a favorable variance 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, 2020 and 2019 totaled \$13,240,351 and \$13,377,252 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 \$136,901. Major capital asset events during the current fiscal year consisted of depreciation and amortization expense of \$860,536, offset by net capital additions of \$723,635. The following table is a two-year comparison of the investment in capital assets:

	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>		<u>\$ Variance</u>	<u>% Variance</u>
	<u>Activities</u>	<u>Activities</u>	<u>2020</u>	<u>2019</u>		
Land and improvements	\$ 3,111,967	\$ -	\$ 3,111,967	\$ 3,111,967	\$ -	0.0%
Construction in progress	148,306	-	148,306	31,437	116,869	371.8%
Buildings and improvements	14,604,787	-	14,604,787	14,415,353	189,434	1.3%
Machinery and equipment	5,501,536	-	5,501,536	5,109,155	392,381	7.7%
Infrastructure	26,924,426	1,528,583	28,453,009	28,451,058	1,951	0.0%
Furniture and fixtures	406,408	-	406,408	406,408	-	0.0%
Accumulated depreciation	(38,387,788)	(597,874)	(38,985,662)	(38,148,126)	(837,536)	2.2%
Totals	\$ 12,309,642	\$ 930,709	\$ 13,240,351	\$ 13,377,252	\$ (136,901)	-1.0%



TOWN OF WILLINGTON, CONNECTICUT
 MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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.

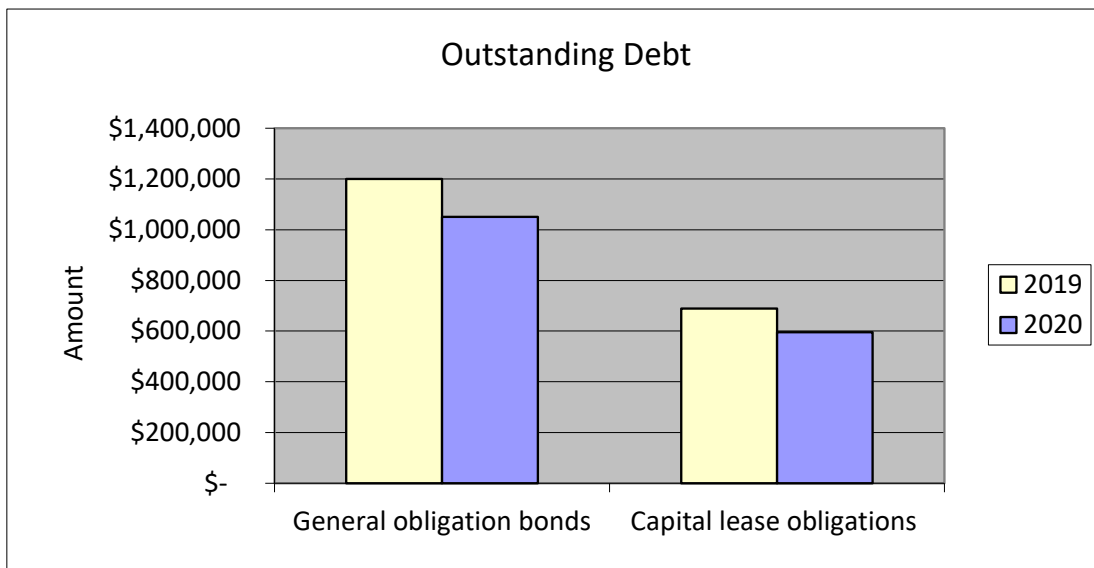
Long-term Debt

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$1,050,000. 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, 2020 of \$595,609. During the year ended June 30, 2020, the Town entered into a new capital lease arrangement in the amount of \$116,913 for the purchase of a roadside mower. No other 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:

	Governmental Activities			
	2020	2019	\$ Variance	% Variance
General obligation bonds	\$ 1,050,000	\$ 1,200,000	\$ (150,000)	-12.5%
Capital lease obligations	595,609	689,036	(93,427)	-13.6%
Totals	<u>\$ 1,645,609</u>	<u>\$ 1,889,036</u>	<u>\$ (243,427)</u>	-12.9%



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, 2020

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 2021, 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.
- In early March 2020, there was a global outbreak of COVID-19 that was declared a Public Health Emergency of International Concern by the World Health Organization and was subsequently declared a state of emergency by the Governor of Connecticut and a national emergency by the President of the United States. The outbreak of the virus has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide. The Town has received and continues to apply for additional funding from federal and state agencies to assist in covering certain costs associated with the response to the pandemic. However, the extent to which COVID-19 will impact the Town's tax base, operations and its financial condition will ultimately depend on future developments that are uncertain and cannot be fully predicted with confidence at this time.

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.

The Town's fiscal year 2021 budget authorizes expenditure appropriations of \$17,772,519, an increase of \$67,916 or 0.38% over the prior year. The approved budget contemplates the use of fund balance in the amount of \$673,000, which resulted in a decrease in Town's mill rate from 30.09 mills to 29.99 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.

BASIC FINANCIAL STATEMENTS

TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 6,891,881	\$ 84,914	\$ 6,976,795
Investments	28,263	-	28,263
Receivables:			
Property taxes and interest	150,998	-	150,998
Grants and contracts	40,390	-	40,390
Other	16,319	-	16,319
Inventories	4,148	-	4,148
Rehabilitation loans receivable	630,884	-	630,884
Capital assets:			
Non-depreciable	2,632,505	-	2,632,505
Depreciable, net	9,677,137	930,709	10,607,846
Total assets	<u>20,072,525</u>	<u>1,015,623</u>	<u>21,088,148</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on pension expense	60,895	-	60,895
Deferred charges on OPEB expense	871,218	-	871,218
Total deferred outflows of resources	<u>932,113</u>	<u>-</u>	<u>932,113</u>
LIABILITIES			
Accounts payable	214,807	207	215,014
Accrued liabilities	575,244	-	575,244
Internal balances	33,576	(33,576)	-
Unearned revenue	347,352	-	347,352
Noncurrent liabilities:			
Due within one year	451,289	-	451,289
Due in more than one year	3,754,571	-	3,754,571
Total liabilities	<u>5,376,839</u>	<u>(33,369)</u>	<u>5,343,470</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred charges on pension expense	31,158	-	31,158
Deferred charges on OPEB expense	36,824	-	36,824
Advanced property tax collections	16,497	-	16,497
Total deferred inflows of resources	<u>84,479</u>	<u>-</u>	<u>84,479</u>
NET POSITION			
Net investment in capital assets	11,525,867	930,709	12,456,576
Restricted for rehabilitation loan program	795,295	-	795,295
Unrestricted	3,222,158	118,283	3,340,441
Total net position	<u>\$ 15,543,320</u>	<u>\$ 1,048,992</u>	<u>\$ 16,592,312</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, 2020

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
Primary Government							
Governmental activities:							
General government	\$ 1,487,717	\$ 197,576	\$ 20,103	\$ -	\$ (1,270,038)	\$ -	\$ (1,270,038)
Public safety	1,237,537	243,344	2,250	-	(991,943)	-	(991,943)
Public works	1,782,969	-	278,973	-	(1,503,996)	-	(1,503,996)
Culture and recreation	617,299	67,520	22,588	-	(527,191)	-	(527,191)
Education	8,955,358	82,195	3,979,213	63,694	(4,830,256)	-	(4,830,256)
Education - State Teachers' Retirement	1,733,373	-	1,733,373	-	-	-	-
Regional School District No. 19	4,196,986	-	-	-	(4,196,986)	-	(4,196,986)
Interest expense	58,554	-	-	-	(58,554)	-	(58,554)
Total governmental activities	<u>20,069,793</u>	<u>590,635</u>	<u>6,036,500</u>	<u>63,694</u>	<u>(13,378,964)</u>	<u>-</u>	<u>(13,378,964)</u>
Business- type activities:							
Utility - water	<u>69,664</u>	<u>45,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,911)</u>	<u>(23,911)</u>
	<u>\$ 20,139,457</u>	<u>\$ 636,388</u>	<u>\$ 6,036,500</u>	<u>\$ 63,694</u>	<u>(13,378,964)</u>	<u>(23,911)</u>	<u>(13,402,875)</u>
General revenues:							
Property taxes, levied for general purposes					13,498,100	-	13,498,100
Grants and contributions not restricted to specific programs					48,152	-	48,152
Unrestricted investment earnings					116,417	127	116,544
Total general revenues					<u>13,662,669</u>	<u>127</u>	<u>13,662,796</u>
					283,705	(23,784)	259,921
					15,259,615	1,072,776	16,332,391
					<u>\$ 15,543,320</u>	<u>\$ 1,048,992</u>	<u>\$ 16,592,312</u>

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

TOWN OF WILLINGTON, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2020

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 5,207,204	\$ 444,568	\$ 1,240,109	\$ 6,891,881
Investments	28,263	-	-	28,263
Receivables:				
Property taxes	122,167	-	-	122,167
Interest on property taxes	28,831	-	-	28,831
Grants and contracts	1,120	-	39,270	40,390
Rehabilitation loans	-	-	630,884	630,884
Other	12,344	-	3,975	16,319
Due from other funds	82,530	118,584	272,365	473,479
Inventories	-	-	4,148	4,148
Total assets	<u>\$ 5,482,459</u>	<u>\$ 563,152</u>	<u>\$ 2,190,751</u>	<u>\$ 8,236,362</u>
LIABILITIES				
Accounts payable	\$ 131,325	\$ -	\$ 83,482	\$ 214,807
Accrued liabilities	571,744	-	-	571,744
Due to other funds	424,525	-	82,530	507,055
Unearned revenue	-	346,966	386	347,352
Total liabilities	<u>1,127,594</u>	<u>346,966</u>	<u>166,398</u>	<u>1,640,958</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes and interest	150,998	-	-	150,998
Advanced property tax collections	16,497	-	-	16,497
Total deferred inflows of resources	<u>167,495</u>	<u>-</u>	<u>-</u>	<u>167,495</u>
FUND BALANCES				
Nonspendable - inventories	-	-	4,148	4,148
Restricted for rehabilitation loan program	-	-	795,295	795,295
Committed for:				
Capital purposes	-	216,186	732,078	948,264
Other purposes	719,914	-	492,832	1,212,746
Assigned	822,564	-	-	822,564
Unassigned	2,644,892	-	-	2,644,892
Total fund balances	<u>4,187,370</u>	<u>216,186</u>	<u>2,024,353</u>	<u>6,427,909</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,482,459</u>	<u>\$ 563,152</u>	<u>\$ 2,190,751</u>	<u>\$ 8,236,362</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, 2020

Total fund balances for governmental funds		\$	6,427,909
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.			12,309,642
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.			150,998
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	\$	(1,052,297)	
Capital lease obligations		(595,609)	
Accrued interest payable		(3,500)	
Other long-term liabilities:			
Compensated absences		(278,262)	
Landfill post-closure care liability		(25,500)	
Net pension liability		(111,303)	
Total OPEB liability		<u>(2,142,889)</u>	
Total long-term liabilities			(4,209,360)
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>864,131</u>
Net position of governmental activities		\$	<u><u>15,543,320</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, 2020

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$13,443,090	\$ -	\$ -	\$13,443,090
Intergovernmental	5,084,106	-	531,808	5,615,914
Charges for services	160,177	-	339,145	499,322
Investment income	96,903	6,728	12,786	116,417
Other	44,223	525	55,565	100,313
Total revenues	<u>18,828,499</u>	<u>7,253</u>	<u>939,304</u>	<u>19,775,056</u>
EXPENDITURES				
Current:				
General government	1,376,062	-	10,556	1,386,618
Public safety	220,197	-	945,735	1,165,932
Public works	1,463,822	-	-	1,463,822
Culture and recreation	253,191	-	210,585	463,776
Education	9,393,761	-	523,102	9,916,863
Regional School District No. 19	4,196,986	-	-	4,196,986
Debt service:				
Principal payments	243,623	-	116,717	360,340
Interest and fiscal charges	53,566	-	7,554	61,120
Capital outlays	138,529	224,141	330,179	692,849
Total expenditures	<u>17,339,737</u>	<u>224,141</u>	<u>2,144,428</u>	<u>19,708,306</u>
Excess (deficiency) of revenues over expenditures	1,488,762	(216,888)	(1,205,124)	66,750
OTHER FINANCING SOURCES (USES)				
Capital lease financing	116,913	-	-	116,913
Transfers in	-	256,098	1,083,896	1,339,994
Transfers out	(1,339,994)	-	-	(1,339,994)
Total other financing sources (uses)	<u>(1,223,081)</u>	<u>256,098</u>	<u>1,083,896</u>	<u>116,913</u>
Net changes in fund balances	265,681	39,210	(121,228)	183,663
Fund balances - beginning	<u>3,921,689</u>	<u>176,976</u>	<u>2,145,581</u>	<u>6,244,246</u>
Fund balances - ending	<u>\$ 4,187,370</u>	<u>\$ 216,186</u>	<u>\$ 2,024,353</u>	<u>\$ 6,427,909</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, 2020

Net change in fund balances for governmental funds \$ 183,663

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	\$ 721,684	
Depreciation and amortization expense	(813,024)	
Net adjustment		(91,340)

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:

Debt issued or incurred:		
Capital lease obligations	(116,913)	
Principal repayments:		
Bonds	150,000	
Obligations under capital lease	210,340	
Net adjustment		243,427

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	12,262	
Accrued interest	2,213	
Net pension liability	4,799	
Total OPEB liability	(941,644)	
Amortization of bond premiums	353	
Landfill post-closure costs	10,500	
		(911,517)

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. 55,010

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. 804,462

Change in net position of governmental activities \$ 283,705

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, 2020

	Business-Type Activities
	Utility Fund
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 84,914
Due from other funds	33,576
Total current assets	118,490
Noncurrent assets:	
Capital assets:	
Depreciable, net	930,709
Total assets	1,049,199
LIABILITIES	
Current liabilities:	
Accounts payable	207
Total liabilities	207
NET POSITION	
Investment in capital assets	930,709
Unrestricted	118,283
Total net position	\$ 1,048,992

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, 2020

	Business-Type Activities
	Utility Fund
OPERATING REVENUES	
Charges for services	\$ 45,753
Total operating revenues	45,753
OPERATING EXPENSES	
Depreciation expense	47,512
Monitoring pump station	22,152
Total operating expenses	69,664
Operating loss	(23,911)
NONOPERATING REVENUES	
Interest income	127
Change in net position	(23,784)
Net position - beginning	1,072,776
Net position - ending	\$ 1,048,992

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, 2020

	Business-Type Activities
	Utility Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 45,753
Payments for operating expenses	(43,803)
Net cash provided by operating activities	1,950
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(1,950)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	127
Net increase in cash and cash equivalents	127
Cash and cash equivalents - beginning	84,787
Cash and cash equivalents - ending	\$ 84,914
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (23,911)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	47,512
Change in assets and liabilities:	
Accounts payable	(57)
Due to/from other funds	(21,594)
Net cash provided by operating activities	\$ 1,950

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, 2020

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 146,247
Investments:		
Insurance contracts	390,215	-
Certificates of deposit	-	11,787
Other	27,731	4,000
Total assets	417,946	\$ 162,034
LIABILITIES		
Due to others	-	\$ 162,034
NET POSITION		
Restricted for pension benefits	\$ 417,946	

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, 2020

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 18,440
Employee	3,446
Total contributions	21,886
Investment earnings:	
Net increase in the fair value of investments	19,272
Total investment earnings	19,272
Total additions	41,158
DEDUCTIONS	
Benefit payments	-
Total deductions	-
Change in net position	41,158
NET POSITION	
Restricted for pension benefits - beginning	376,788
Restricted for pension benefits - ending	\$ 417,946

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, 2020

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 \$4,196,986 for the year ended June 30, 2020, which represented approximately 22.11% 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, 2020

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.

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, 2020

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, 2020

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

Implementation of New Accounting Standards

In May of 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this statements was to provide temporary relief to governments and other stakeholders in light of the of the COVID-19 pandemic. That objective was accomplished by postponing the effective dates of certain provisions in statements and implementation guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

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.

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.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

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

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, 2020

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

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

Deferred Outflows and 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 and inflows of resources consists of deferred charges on pension and OPEB expenses reported in the government-wide statement of net position. Deferred charges on pension and OPEB expenses 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.

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, 2020

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, 2020

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, 2020, \$1,450,902 of the Town's bank balance of \$1,884,186 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 1,305,812
Uninsured and collateralized with securities held by the pledging bank's trust department or agent but not in the Town's name	145,090
	\$ 1,450,902

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, 2020 is as follows:

Government-wide statement of net position:	
Cash and cash equivalents	\$ 6,976,795
Statement of fiduciary net position:	
Cash and cash equivalents	146,247
Add: certificates of deposit classified as investments	40,050
Less: investments classified as cash equivalents	(4,892,387)
Total cash deposits	\$ 2,270,705

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Investments

A reconciliation of the Town's investments as of June 30, 2020 is as follows:

Government-wide statement of net position:	
Investments	\$ 28,263
Statement of fiduciary net position:	
Investments	402,002
Less: certificates of deposit classified as investments	(40,050)
Add: investments classified as cash equivalents	4,892,387
	<u>\$ 5,282,602</u>

As of June 30, 2020, the Town's investments consisted of the following:

Investment Type	Valuation Basis	Credit Rating	Value	Investment Maturities (In Years) Less Than 1
Debt Securities:				
<i>Government-wide statement of net position:</i>				
Short-term Investment Fund (STIF)	Net asset value	AAA	\$ 4,892,387	<u>\$ 4,892,387</u>
Other Investments:				
<i>Statement of fiduciary net position:</i>				
Pooled separate accounts	Contract value		390,215	
			<u>\$ 5,282,602</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, 2020

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, 2020, 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, 2020, 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 - JP Morgan U.S. Equity Fund - R2	\$ 150,122	37.3%
Voya Retirement Insurance and Annuity Company	GAC - American Funds Fundamental Investors - R3	121,720	30.3%
Voya Retirement Insurance and Annuity Company	GAC - Fixed Account	118,373	29.4%

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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, 2020, 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, 2020 consisted of the following:

Governmental Activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 2,484,199	\$ -	\$ -	\$ 2,484,199
Construction in progress	31,437	123,869	(7,000)	148,306
Total capital assets, not being depreciated	<u>2,515,636</u>	<u>123,869</u>	<u>(7,000)</u>	<u>2,632,505</u>
Capital assets, being depreciated:				
Land improvements	627,768	-	-	627,768
Buildings and improvements	14,415,353	182,434	7,000	14,604,787
Vehicles, machinery and equipment	5,109,155	415,381	(23,000)	5,501,536
Infrastructure	26,924,426	-	-	26,924,426
Furniture and fixtures	406,408	-	-	406,408
Total capital assets, being depreciated	<u>47,483,110</u>	<u>597,815</u>	<u>(16,000)</u>	<u>48,064,925</u>
Less accumulated depreciation:				
Land improvements	346,148	31,389	-	377,537
Buildings and improvements	10,316,593	207,182	-	10,523,775
Vehicles, machinery and equipment	3,202,517	343,022	(23,000)	3,522,539
Infrastructure	23,332,449	230,579	-	23,563,028
Furniture and fixtures	400,057	852	-	400,909
Total accumulated depreciation	<u>37,597,764</u>	<u>813,024</u>	<u>(23,000)</u>	<u>38,387,788</u>
Total capital assets, being depreciated, net	<u>9,885,346</u>	<u>(215,209)</u>	<u>7,000</u>	<u>9,677,137</u>
Governmental activities capital assets, net	<u>\$ 12,400,982</u>	<u>\$ (91,340)</u>	<u>\$ -</u>	<u>\$ 12,309,642</u>

Capital asset activity for the Town's business-type activities for the year ended June 30, 2020 consisted of the following:

Business-type Activities	<u>Ending Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Infrastructure	\$ 1,526,633	\$ 1,950	\$ -	\$ 1,528,583
Total capital assets, being depreciated	<u>1,526,633</u>	<u>1,950</u>	<u>-</u>	<u>1,528,583</u>
Less accumulated depreciation:				
Infrastructure	550,362	47,512	-	597,874
Total accumulated depreciation	<u>550,362</u>	<u>47,512</u>	<u>-</u>	<u>597,874</u>
Total capital assets, being depreciated, net	<u>976,271</u>	<u>(45,562)</u>	<u>-</u>	<u>930,709</u>
Business-type activities capital assets, net	<u>\$ 976,271</u>	<u>\$ (45,562)</u>	<u>\$ -</u>	<u>\$ 930,709</u>

TOWN OF WILLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 4 - CAPITAL ASSETS *(Continued)*

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

Governmental Activities:		
General government	\$	72,683
Public safety		129,626
Public works		310,594
Culture and recreation		153,523
Education		<u>146,598</u>
Total depreciation and amortization expense - governmental activities	\$	<u><u>813,024</u></u>
Business-type Activities:		
Utility - water	\$	<u>47,512</u>
Total depreciation and amortization expense - business-type activities	\$	<u><u>47,512</u></u>

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2020 are as follows:

Receivable Fund	Payable Fund	Amount
Governmental Funds		
General Fund	Nonmajor Governmental Funds	\$ <u>82,530</u>
Capital Projects Fund	General Fund	<u>118,584</u>
Nonmajor Governmental Funds	General Fund	<u>272,365</u>
Proprietary Funds		
Utility Fund	General Fund	<u>33,576</u>
Total due from/to other funds		<u><u>\$ 507,055</u></u>

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, 2020

NOTE 6 - INTERFUND TRANSFERS

The following is a summary of interfund transfers for the year ended June 30, 2020:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
Capital Projects Fund	General Fund	\$ 256,098
Nonmajor Governmental Funds	General Fund	1,083,896
Total transfers		<u>\$ 1,339,994</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, 2020:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Direct Placements:					
General obligation bonds	\$ 1,200,000	\$ -	\$ (150,000)	\$ 1,050,000	\$ 150,000
Unamortized bond premium	2,650	-	(353)	2,297	-
Total bonds payable	1,202,650	-	(150,353)	1,052,297	150,000
Capital leases from direct borrowings	689,036	116,913	(210,340)	595,609	203,189
	<u>\$ 1,891,686</u>	<u>\$ 116,913</u>	<u>\$ (360,693)</u>	<u>\$ 1,647,906</u>	<u>\$ 353,189</u>

Long-term debt typically has been liquidated in the General and Other Governmental Funds.

Direct Placements - General Obligation Bonds

A summary of general obligation bonds outstanding at June 30, 2020 is as follows:

<u>Bond Issue</u>	<u>Final Maturity Dates</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Governmental Activities			
2006 General obligation bonds	2027	3.625 - 5.5%	<u>\$ 1,050,000</u>

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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, 2020:

Year ending June 30:	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2021	\$ 150,000	\$ 39,000
2022	150,000	33,000
2023	150,000	27,000
2024	150,000	21,000
2025	150,000	15,000
2026-2027	300,000	12,000
	\$ 1,050,000	\$ 147,000

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, 2020, the District's outstanding bonds totaled \$930,000, with 22.11%, or \$205,623 representing the Town's share. Regional School District No. 19 also has authorized, unissued bonds totaling \$6,850,000 as of June 30, 2020.

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, 2020.

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, 2020:

	Governmental Activites
Machinery and equipment	\$ 908,599
Vehicles	695,275
	1,603,874
Less: accumulated amortization	1,369,371
	\$ 234,504

Amortization expense relative to leased property under capital leases totaled \$215,701 for the year ended June 30, 2020 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, 2020

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, 2020 are as follows:

Year ending June 30:	Governmental Activities	
	Capital Leases	
	Principal	Interest
2021	\$ 203,189	\$ 13,039
2022	163,009	8,573
2023	135,676	4,845
2024	49,571	2,129
2025	44,164	1,709
	\$ 595,609	\$ 30,295

NOTE 8 - OTHER LONG-TERM LIABILITIES

Changes in other long-term liabilities for the year ended June 30, 2020 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Other liabilities:					
Compensated absences	\$ 290,524	\$ 31,761	\$ (44,023)	\$ 278,262	\$ 93,000
Landfill post-closure care liability	36,000	-	(10,500)	25,500	5,100
Net pension liability (see Note 9)	116,102	-	(4,799)	111,303	-
Total OPEB liability (see Note 10)	1,201,245	941,644	-	2,142,889	-
	\$ 1,643,871	\$ 973,405	\$ (59,322)	\$ 2,557,954	\$ 98,100

Long-term liabilities typically have been liquidated in the General Fund.

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 \$5,100 per year for the next 5 years total \$25,500 at June 30, 2020. 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, 2020

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, 2020, 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, 2020, the actuarially determined contribution was \$18,831 and the actual contribution was \$18,440.

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, 2020:

<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, 2020

NOTE 9 - PENSION PLANS *(Continued)*

Defined Benefit Plan *(Continued)*

Plan Description *(Continued)*

Concentrations - As of June 30, 2020, 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 - JP Morgan U.S. Equity Fund - R2	\$ 150,122	37.3%
Voya Retirement Insurance and Annuity Company	GAC - American Funds Fundamental Investors - R3	121,720	30.3%
Voya Retirement Insurance and Annuity Company	GAC - Fixed Account	118,373	29.4%

Rate of return - For the year ended June 30, 2020 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 4.97%. 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, 2020 were as follows:

Total pension liability	\$ 529,249
Plan fiduciary net position	<u>(417,946)</u>
Town's net pension liability - Town Plan	<u>\$ 111,303</u>
 Plan fiduciary net position as a percentage of the total pension liability	 78.97%

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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, 2020 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2019	\$ 492,890	\$ 376,788	\$ 116,102
Changes for the year:			
Service cost	10,295	-	10,295
Interest	35,223	-	35,223
Actuarial (gains) losses	(9,159)	-	(9,159)
Contributions - employer	-	18,440	(18,440)
Contributions - employee	-	3,446	(3,446)
Net investment income	-	19,272	(19,272)
Benefit payments, including refunds	-	-	-
Administrative expense	-	-	-
Net changes	36,359	41,158	(4,799)
Balance as of June 30, 2020	\$ 529,249	\$ 417,946	\$ 111,303

Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of June 30, 2020, 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 2020 Combined Unisex Applicable Mortality Table from Notice 2019-26.

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, 2020

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, 2020 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</u>	<u>Current Discount</u>	<u>1% Increase</u>
Net pension liability	\$ 150,685	\$ 111,303	\$ 72,846

Pension Expense and Deferred Outflows and Inflows of Resources

The Town recognized pension expense of \$26,850 for the year ended June 30, 2020.

At June 30, 2020, 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 Amounts</u>
Differences between expected and actual experience	\$ 25,385	\$ (31,158)	\$ (5,773)
Changes of assumptions	12,969	-	12,969
Net difference between projected and actual earnings on pension plan investments	22,541	-	22,541
Total	<u>\$ 60,895</u>	<u>\$ (31,158)</u>	<u>\$ 29,737</u>

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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,		
2021	\$	5,585
2022		9,122
2023		10,179
2024		2,707
2025		1,263
Thereafter		881
	\$	29,737

Payable to the Pension Plan

At June 30, 2020, there was no outstanding Town contributions to the pension plan required for the year ended June 30, 2020.

Connecticut Teachers' Retirement System

Plan Description

The Connecticut Teachers' Retirement System ("TRS" or the "Plan") is the public pension plan offered by the State of Connecticut (the "State") to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes. TRS is a multiemployer pension plan administered by the Connecticut State Teachers' Retirement Board ("TRB"). The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members.

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

Benefit Provisions

The Plan 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.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Benefit Provisions *(Continued)*

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 5 years preceding normal retirement age and 4.0% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

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: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required to be eligible for non-service related disability. Disability benefits are calculated as 2.0% per year of service times the average of the highest three years of pensionable salary, but not less than 15.0%, nor more than 50.0%. 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 75.0% of average annual salary. A plan member who leaves service and has attained 10 years of service will be entitled to 100.0% 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

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

Employers - School District employers are not required to make contributions to the Plan, as contributions are required only from employees and the State.

Employees - Effective July 1, 1992, each teacher was required to contribute 6.0% of pensionable salary for the pension benefit. Effective January 1, 2018, the required contribution increased to 7.0% of pensionable salary.

Administrative Expenses

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

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Basis of Presentation

The components associated with pension expense and deferred outflows and inflows of resources have been determined based on fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2019. The net pension liability at June 30, 2019 has been calculated using the audited amounts. TRS is included in the State of Connecticut audit as a pension trust fund. The State of Connecticut's Comprehensive Annual Financial Report can be obtained at www.ct.gov.

The accounting standards require participating employers to recognize their proportional share of the collective net pension liability, deferred outflows and inflows of resources and pension expense. Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort as measured June 30, 2018, the date of the latest biennial valuation. The liabilities of the June 30, 2018 actuarial valuation were rolled forward to the measurement date of June 30, 2019. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.091% as of the most recent measurement date.

Collective Net Pension Liability

The following summarizes the collective net pension liability of the State for the TRS as of June 30, 2019, the measurement date, in addition to the Town's and State's proportionate shares of the collective net pension liability that is attributed to the Town:

Collective Net Pension Liability of the State for the TRS		<u>\$ 17,072,720,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net Pension Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net Pension Liability attributed to the Town	0.091%	<u>\$ 15,559,000</u>

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Collective Pension Expense

The Town's expected contribution effort for allocation purposes totaled \$1,177,752 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 in the General Fund for the year ended June 30, 2020.

The collective pension expense includes certain current period changes in the collective net pension liability, projected earnings on pension plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective pension expense attributed to the Town totaled \$1,910,940 or 0.091% of the total collective pension expense and has been recognized as an operating contribution and related education expenses in the statement of activities for the year ended June 30, 2020.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, and a measurement date of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% - 6.50%, including inflation
Investment rate of return	6.90%, 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.

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 5.0% 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 6.0% 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 5.0% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3.0%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9 - PENSION PLANS *(Continued)*

Connecticut Teachers' Retirement System *(Continued)*

Long-Term Rate of Return

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

The current capital market assumptions and the target asset allocation as provided by the Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Return</u>	<u>Standard Deviation</u>
Public Equity - US Equity	20.0%	8.1%	17.0%
Public Equity - International Developed Equity	11.0%	8.5%	19.0%
Public Equity - Emerging Markets Equity	9.0%	10.4%	24.0%
Fixed Income - Core Fixed Income	16.0%	4.6%	7.0%
Fixed Income - Inflation Linked Bonds	5.0%	3.6%	7.0%
Fixed Income - High Yield	6.0%	6.5%	11.0%
Fixed Income - Emerging Market Debt	5.0%	5.2%	11.0%
Private Equity	10.0%	9.8%	23.0%
Real Estate	10.0%	7.0%	15.0%
Alternative Investments - Real Assets	4.0%	8.2%	17.0%
Alternative Investments - Hedge Funds	3.0%	5.4%	7.0%
Liquidity Fund	1.0%	2.9%	1.0%
	<u>100%</u>		

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

Discount Rate

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

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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.

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, 2020, to irrevocably segregate assets to fund the liability for post-employment benefits.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Board of Education Plan *(Continued)*

Employees Covered by Benefit Terms

The following is the current census of the Town's post-employment benefit participants as of June 30, 2019 (date of the most recently completed valuation):

Active members	50
Retirees	7
Spouses	3
Beneficiaries	1
Total	<u>61</u>

Total OPEB Liability

The Town's OPEB Liability reported as of June 30, 2020 totaled \$2,142,889. The total OPEB liability was measured as of June 30, 2020 using the Entry Age Normal actuarial method.

Actuarial Assumptions and Other Inputs - The total OPEB liability measured as of June 30, 2020 was determined using a valuation date of June 30, 2019 and the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.21%
Medical inflation rate	2.30% - 4.10% over 54 years
Inflation	2.60%

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, 2020

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

Board of Education Plan *(Continued)*

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2019	\$ 1,201,245
Changes for the year:	
Service cost	42,136
Interest	42,627
Changes in benefit terms	-
Differences between expected and actual experience	551,539
Changes in assumptions	356,765
Benefit payments	(51,423)
Net changes	941,644
Balance as of June 30, 2020	\$ 2,142,889

Changes of assumptions primarily reflects a change in the discount rate from 3.50% to 2.21%.

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:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 2,492,997	\$ 2,142,889	\$ 1,858,527

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Total OPEB Liability	\$ 1,815,289	\$ 2,142,889	\$ 2,549,902

TOWN OF WILLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Board of Education Plan *(Continued)*

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2020, the Town recognized OPEB expense of \$175,396. As of June 30, 2020, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Amounts
Differences between expected and actual experience	\$ 497,467	\$ -	\$ 497,467
Changes of assumptions	373,751	(36,824)	336,927
Total	\$ 871,218	\$ (36,824)	\$ 834,394

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,	
2021	\$ 90,633
2022	90,633
2023	90,633
2024	90,633
2025	90,633
Thereafter	381,229
	\$ 834,394

Connecticut Teachers' Retirement System

Plan Description

The Connecticut Teachers' Retirement System ("TRS" or the "Plan") is the public pension plan offered by the State of Connecticut (the State) to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes. TRS is a multiemployer pension plan administered by the Connecticut State Teachers' Retirement Board ("TRB"). The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members.

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

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Connecticut Teachers' Retirement System *(Continued)*

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.

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

State of Connecticut - Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through an annual appropriation in the General Fund.

Employers - School District employers are not required to make contributions to the Plan.

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

TOWN OF WILLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Connecticut Teachers' Retirement System *(Continued)*

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 components associated with the other postemployment benefits (OPEB) expense and deferred inflows and outflows of resources have been determined using the unrecognized portions of each year's experience and assumption changes as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut Comprehensive Annual Financial Report as of and for the year ended June 30, 2019. The net OPEB liability at June 30, 2019 has been calculated using the audited amounts. 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. The State of Connecticut's Comprehensive Annual Financial Report can be obtained at www.ct.gov.

The accounting standards require participating employers to recognize their proportional share of the collective net OPEB liability, deferred outflows and inflows of resources and OPEB expense. Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Allocation Methodology

The allocations for participating employers are based on the expected contribution effort as measured June 30, 2018, the date of the latest biennial valuation. The allocations for participating employers are based on the expected contribution effort as measured June 30, 2018, the date of the latest biennial valuation. The liabilities of the June 30, 2018 actuarial valuation were rolled forward to the measurement date of June 30, 2019. The employer allocations were then applied to the net OPEB liability and OPEB expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. The employer allocation applied to Town totaled 0.091% as of the most recent measurement date.

Collective Net OPEB Liability

The following summarizes the collective net OPEB liability of the State for the TRS as of June 30, 2019, the measurement date, in addition to the Town's and State's proportionate shares of the collective net OPEB liability that is attributed to the Town:

Collective Net OPEB Liability of the State for the TRS		<u>\$ 2,662,587,000</u>
	<u>Proportion</u>	<u>Proportionate Share</u>
Town's proportionate share of the Collective Net OPEB Liability	0.000%	<u>\$ -</u>
State's proportionate share of the Collective Net OPEB Liability attributed to the Town	0.091%	<u>\$ 2,427,000</u>

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Connecticut Teachers' Retirement System *(Continued)*

Collective OPEB Expense

The Town's expected contribution effort for allocation purposes totaled \$32,189 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 in the General Fund for the year ended June 30, 2020.

The collective OPEB expense includes certain current period changes in the collective net OPEB liability, projected earnings on OPEB plan investments and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The portion of the collective OPEB expense attributed to the Town totaled a negative \$(177,567) or 0.091% of the total collective OPEB expense and has been recognized as a reduction in operating contributions and related education expenses in the statement of activities for the year ended June 30, 2020.

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	2.50%
Real Wage Growth	0.75%
Wage Inflation	3.25%
Salary increases	3.25% - 6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates:	
Pre-Medicare	5.95% for 2018 decreasing to an ultimate rate of 4.75% by 2025
Medicare	5.00% for 2018 decreasing to an ultimate rate of 4.75% by 2028

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

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the 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.

TOWN OF WILLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS *(Continued)*
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

Connecticut Teachers' Retirement System *(Continued)*

Long-Term Rate of Return *(Continued)*

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected 10-Year Geometric Real Rate of Return</u>	<u>Standard Deviation</u>
U.S. Treasuries (Cash Equivalents)	100.0%	0.41%	2.31%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate was performed in accordance with 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 of 3.87% 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, 2020

NOTE 11 - FUND BALANCE

The Town has committed and assigned fund balance for other purposes as of June 30, 2020 for the following purposes:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Committed for:			
Compensated absences	\$ 149,886	\$ -	\$ 149,886
Library	364,525	-	364,525
Emergency preparedness	1,169	-	1,169
Nonlapsing Education Fund	204,334	-	204,334
General government	-	12,813	12,813
Public safety	-	373,826	373,826
Culture and recreation	-	56,058	56,058
Public works	-	3,755	3,755
Educational purposes	-	34,066	34,066
School cafeteria operations	-	12,314	12,314
Total committed for other purposes	\$ 719,914	\$ 492,832	\$ 1,212,746
Assigned to:			
Use in subsequent year's budget	\$ 673,000	\$ -	\$ 673,000
Encumbrances	149,564	-	149,564
Total assigned	\$ 822,564	\$ -	\$ 822,564

Encumbrances represent commitments entered into as of June 30, 2020 for goods or services to be provided in the subsequent fiscal year. Encumbrances have been assigned for the following purposes:

General government	\$ 10,879
Educational purposes	138,685
	\$ 149,564

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, 2020

NOTE 13 - RISK MANAGEMENT AND UNCERTAINTIES

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, 2020, 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, 2020 totaled \$173,674.

Uncertainties

In early March 2020, there was a global outbreak of COVID-19 that was declared a Public Health Emergency of International Concern by the World Health Organization and was subsequently declared a state of emergency by the Governor of Connecticut and a national emergency by the President of the United States. The outbreak of the virus has affected travel, commerce and financial markets globally, and is widely expected to affect economic growth worldwide.

On March 27, 2020, the United States Congress enacted the Coronavirus Aid, Relief, and Economic Stabilization Act (the "CARES Act") that provides in excess of \$2 trillion of relief to industries and entities throughout the country, including state and local governments. On March 28, 2020, the President of the United States approved the Governor of Connecticut's request for a disaster declaration for the State. On April 24, 2020, the United States Congress enacted legislation that provided an additional \$484 billion to replenish a small business loan program, support hospitals and expand COVID-19 testing.

The Town has received and continues to apply for additional funding from federal and state agencies to assist in covering certain costs associated with the response to the pandemic. However, the extent to which COVID-19 will impact the Town's tax base, operations and its financial condition will ultimately depend on future developments that are uncertain and cannot be fully predicted with confidence at this time.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020, which reflects the one year postponement pursuant to GASB Statement No. 95 issued in May 2020. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

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, 2021, which reflects the eighteen month postponement pursuant to GASB Statement No. 95 issued in May 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, 2021, which reflects the one year postponement pursuant to GASB Statement No. 95 issued in May 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, 2020, which reflects the one year postponement pursuant to GASB Statement No. 95 issued in May 2020. 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. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022, which reflects the one year postponement pursuant to GASB Statement No. 95 issued in May 2020. The Town does not expect this statement to have a material effect on its financial statements.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and the requirements of this statement are effective for the Town's reporting period beginning July 1, 2021, which reflects the one year postponement pursuant to GASB Statement No. 95 issued in May 2020. The Town does not expect this statement to have a material effect on its financial statements.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this statement 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 March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022. The Town does not expect this statement to have a material effect on its financial statements.

In May 2020, the GASB issued Statement 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022. The Town does not expect this statement to have a material effect on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Property taxes	\$ 13,316,508	\$ 13,316,508	\$ 13,443,090	\$ 126,582
Intergovernmental	3,734,595	3,734,595	3,878,665	144,070
Licenses, fees and permits	130,000	130,000	160,177	30,177
Investment income	75,000	75,000	91,104	16,104
Other	38,500	38,500	36,008	(2,492)
Total revenues	<u>17,294,603</u>	<u>17,294,603</u>	<u>17,609,044</u>	<u>314,441</u>
EXPENDITURES				
Current:				
General government	1,217,695	1,299,122	1,222,881	(76,241)
Public safety	616,293	616,293	610,586	(5,707)
Public works	1,361,580	1,385,580	1,371,081	(14,499)
Education	8,689,095	8,689,095	8,403,176	(285,919)
Regional School District No. 19	4,196,986	4,196,986	4,196,986	-
Other	569,074	435,966	418,097	(17,869)
Debt service:				
Principal payments	168,880	168,880	168,880	-
Interest and fiscal charges	47,528	47,528	47,528	-
Capital outlays	74,100	29,116	21,616	(7,500)
Total expenditures	<u>16,941,231</u>	<u>16,868,566</u>	<u>16,460,831</u>	<u>(407,735)</u>
Excess of revenues over expenditures	353,372	426,037	1,148,213	722,176
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	410,000	650,251	-	(650,251)
Transfers out	(763,372)	(1,076,288)	(1,076,288)	-
Total other financing sources (uses)	<u>(353,372)</u>	<u>(426,037)</u>	<u>(1,076,288)</u>	<u>(650,251)</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ 71,925</u>	<u>\$ 71,925</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 SEVEN FISCAL YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability							
Service cost	\$ 10,295	\$ 10,585	\$ 11,248	\$ 15,342	\$ 16,786	\$ 16,852	\$ 22,477
Interest	35,223	44,103	51,331	46,385	44,512	40,954	35,764
Changes in benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(9,159)	(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	<u>36,359</u>	<u>(304,544)</u>	<u>75,359</u>	<u>74,771</u>	<u>28,204</u>	<u>50,896</u>	<u>(4,841)</u>
Total pension liability - beginning	<u>492,890</u>	<u>797,434</u>	<u>722,075</u>	<u>647,304</u>	<u>619,100</u>	<u>568,204</u>	<u>573,045</u>
Total pension liability - ending	<u>529,249</u>	<u>492,890</u>	<u>797,434</u>	<u>722,075</u>	<u>647,304</u>	<u>619,100</u>	<u>568,204</u>
Plan fiduciary net position							
Contributions - employer	18,440	18,814	27,299	28,433	27,905	36,429	16,203
Contributions - members	3,446	3,594	4,948	4,819	4,546	4,755	4,787
Net investment income	19,272	23,329	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	<u>41,158</u>	<u>(310,290)</u>	<u>80,186</u>	<u>87,462</u>	<u>37,886</u>	<u>52,732</u>	<u>(46,918)</u>
Plan fiduciary net position - beginning	<u>376,788</u>	<u>687,078</u>	<u>606,892</u>	<u>519,430</u>	<u>481,544</u>	<u>428,812</u>	<u>475,730</u>
Plan fiduciary net position - ending	<u>417,946</u>	<u>376,788</u>	<u>687,078</u>	<u>606,892</u>	<u>519,430</u>	<u>481,544</u>	<u>428,812</u>
Town's net pension liability	<u>\$ 111,303</u>	<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	78.97%	76.44%	86.16%	84.05%	80.25%	77.78%	75.47%
Covered payroll	\$ 137,858	\$ 136,939	\$ 139,405	\$ 192,750	\$ 181,863	\$ 190,195	\$ 188,376
Town's net pension liability as a percentage of covered payroll	80.74%	84.78%	79.16%	59.76%	70.31%	72.32%	74.00%

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

See accompanying notes to required supplementary information.

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 18,831	\$ 17,011	\$ 16,182	\$ 24,667	\$ 25,801	\$ 25,273	\$ 53,197	\$ 48,905	\$ 38,946	\$ 34,499
Contributions in relation to the actuarially determined contribution	18,440	18,814	27,299	28,433	27,905	16,203	20,095	20,095	20,095	15,095
Contribution (surplus) deficiency	<u>\$ 391</u>	<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>
Covered payroll	\$ 137,858	\$ 136,939	\$ 139,405	\$ 192,750	\$ 181,863	\$ 190,195	\$ 188,376	\$ 232,522	\$ 230,591	\$ 231,019
Contributions as a percentage of covered payroll	13.38%	13.74%	19.58%	14.75%	15.34%	8.52%	10.67%	8.64%	8.71%	6.53%
Annual money-weighted rate of return, net of investment expense	4.97%	4.48%	7.69%	10.33%	1.12%	2.67%	11.38%	11.65%	*	*

* Information not available.

See accompanying notes to required supplementary information.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the collective net pension liability attributed to the Town	<u>15,559,000</u>	<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>\$ 15,559,000</u>	<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	\$ 4,000,000	\$ 3,938,000	\$ 3,895,000	\$ 3,754,000	\$ 4,160,000	\$ 4,010,000
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective pension liability	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

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

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 THREE FISCAL YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 42,136	\$ 23,348	\$ 24,175
Interest	42,627	43,038	40,470
Changes in benefit terms	-	-	-
Differences between expected and actual experience	551,539	-	-
Changes of assumptions	356,765	63,137	(48,833)
Benefit payments	(51,423)	(33,677)	(33,041)
Net change in total OPEB liability	941,644	95,846	(17,229)
Total OPEB liability - beginning	<u>1,201,245</u>	<u>1,105,399</u>	<u>1,122,628</u>
Total OPEB liability - ending	<u>\$2,142,889</u>	<u>\$1,201,245</u>	<u>\$1,105,399</u>

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

See accompanying notes to required supplementary information.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the collective net OPEB liability attributed to the Town	<u>2,427,000</u>	<u>2,398,000</u>	<u>3,145,000</u>
Total	<u>\$ 2,427,000</u>	<u>\$ 2,398,000</u>	<u>\$ 3,145,000</u>
Town's covered employee payroll	\$ 4,000,000	\$ 3,938,000	\$ 3,895,000
Town's proportionate share of the collective net OPEB liability as a percentage of its covered employee payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total collective OPEB liability	2.08%	1.49%	1.79%

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

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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, 2020, the Town authorized additional appropriations from fund balance of \$240,251.
- 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, 2020

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, 2020:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Total Other Financing Sources (Uses)</u>	<u>Net Change In Fund Balance</u>
Budgetary basis	\$ 17,609,044	\$ 16,460,831	\$ (1,076,288)	\$ 71,925
"On-behalf" payments - State Teachers' Retirement Fund	1,209,941	1,209,941	-	-
Encumbrances outstanding:				
June 30, 2019	-	111,704	-	(111,704)
June 30, 2020	-	(149,564)	-	149,564
Budgetary perspective differences - funds combined for GAAP financial reporting purposes:				
Reserve for Compensated Absences Fund	258	951	20,000	19,307
Public Library Fund	8,793	224,772	187,036	(28,943)
Emergency Preparedness Fund	-	3,153	-	(3,153)
Nonlapsing Education Fund	463	(168,222)	-	168,685
Elimination of interfund transfers	-	(470,742)	(470,742)	-
Capital lease proceeds not recorded for budgetary purposes	-	116,913	116,913	-
GAAP basis	<u>\$ 18,828,499</u>	<u>\$ 17,339,737</u>	<u>\$ (1,223,081)</u>	<u>\$ 265,681</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, 2020

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, 2020.

Actuarial cost method	Aggregate
Amortization method	Included in cost as level % of payroll over compensation weighted average working life
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 2020 Combined Unisex Applicable Mortality Table from Notice 2019-26. Based

NOTE 4 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE COLLECTIVE 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. 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, 2020.

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

Assumption changes - The following significant assumptions had a significant effect on the measurement of the total collective pension liability reported as of June 30, 2020.

- 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, resulted 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%; and
- phase in to a level dollar amortization method for the June 30, 2024 valuation.

TOWN OF WILLINGTON, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

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 determined based upon the results of the actuarial valuation as of June 30, 2019, adjusted to the measurement date of June 30, 2020.

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 assumptions 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 COLLECTIVE 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, 2020.

Benefit Changes - The Plan was amended by the Board to include a new prescription drug plan, effective January 1, 2019.

Assumption Changes - The following assumption changes collectively had a significant effect on the measurement of the net OPEB liability reported as of June 30, 2019:

- The discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2019 was updated to equal the Municipal Bond Index Rate of 3.50% as of June 30, 2019;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on January 1, 2019; and
- The expected rate of inflation was decreased, and the Real Wage Growth assumption was increased.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF REVENUES - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
PROPERTY TAXES				
Taxes	\$ 13,286,508	\$ 13,286,508	\$ 13,394,824	\$ 108,316
Interest and lien fees	30,000	30,000	48,266	18,266
Total property taxes	<u>13,316,508</u>	<u>13,316,508</u>	<u>13,443,090</u>	<u>126,582</u>
INTERGOVERNMENTAL REVENUES				
Education:				
Education cost sharing grant	3,394,666	3,394,666	3,539,187	144,521
Noneducation:				
Town aid road grant	258,347	258,347	258,955	608
State property reimbursement	24,965	24,965	24,965	-
Pequot funds	17,399	17,399	17,399	-
Judicial fines	15,000	15,000	14,603	(397)
Municipal Grant-In-Aid	20,018	20,018	20,018	-
Disability reimbursement	700	700	697	(3)
Veteran's exemption	500	500	591	91
Emergency management performance grant	3,000	3,000	2,250	(750)
Total intergovernmental revenues	<u>3,734,595</u>	<u>3,734,595</u>	<u>3,878,665</u>	<u>144,070</u>
LICENSES, FEES AND PERMITS				
Building permits	50,000	50,000	59,524	9,524
Inland/wetland fees	3,500	3,500	1,102	(2,398)
Zoning fees	10,000	10,000	5,201	(4,799)
Zoning board of appeals	500	500	211	(289)
Conveyance taxes	29,000	29,000	54,089	25,089
Permits	2,000	2,000	1,825	(175)
Town clerk fees	22,000	22,000	27,708	5,708
Town Clerk LOCIP fees	1,500	1,500	1,707	207
Transfer station fees	8,000	8,000	5,270	(2,730)
Reimbursement - recycling	3,500	3,500	3,540	40
Total licenses, fees and permits	<u>130,000</u>	<u>130,000</u>	<u>160,177</u>	<u>30,177</u>
INVESTMENT INCOME	<u>75,000</u>	<u>75,000</u>	<u>91,104</u>	<u>16,104</u>

(Continued)

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF REVENUES - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND (UNAUDITED) (Concluded)
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
OTHER				
Telecommunications grant	\$ 8,500	\$ 8,500	\$ 8,280	\$ (220)
Other	30,000	30,000	27,728	(2,272)
Total other	<u>38,500</u>	<u>38,500</u>	<u>36,008</u>	<u>(2,492)</u>
 Total revenues	 17,294,603	 17,294,603	 17,609,044	 314,441
 OTHER FINANCING SOURCES				
Appropriation of fund balance	<u>410,000</u>	<u>650,251</u>	<u>-</u>	<u>(650,251)</u>
 Total revenues and other financing sources	 <u>\$ 17,704,603</u>	 <u>\$ 17,944,854</u>	 <u>\$ 17,609,044</u>	 <u>\$ (335,810)</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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
GENERAL GOVERNMENT				
Selectmen	\$ 153,070	\$ 153,070	\$ 152,577	\$ (493)
Probate court	4,067	4,067	4,067	-
Elections/registrars	38,714	38,714	30,347	(8,367)
Accounting services	231,078	267,078	266,468	(610)
Board of finance	4,118	4,118	2,870	(1,248)
Town treasurer	33,180	33,180	32,846	(334)
Auditor	35,250	35,250	32,500	(2,750)
Assessor	86,361	86,361	78,578	(7,783)
Board of assessment appeals	1,346	1,346	1,346	-
Revenue collector	76,131	76,962	76,961	(1)
Legal counsel	32,000	52,000	39,089	(12,911)
Town clerk	102,554	102,554	99,493	(3,061)
Conservation commission	1,500	1,500	1,154	(346)
Planning and zoning	129,256	128,425	112,313	(16,112)
Zoning board of appeals	4,735	4,735	3,649	(1,086)
Economic development commission	19,280	19,280	18,240	(1,040)
Inland/wetlands commission	2,000	2,000	668	(1,332)
Town office operations	202,765	224,792	211,534	(13,258)
Town hall operations	6,661	10,061	8,642	(1,419)
Senior Center operations	33,629	33,629	31,712	(1,917)
Consulting engineers	20,000	20,000	17,827	(2,173)
Total general government	<u>1,217,695</u>	<u>1,299,122</u>	<u>1,222,881</u>	<u>(76,241)</u>
PUBLIC SAFETY				
Ambulance	470,742	470,742	470,742	-
Fire marshal	25,066	25,066	24,821	(245)
Fire protection	26,000	26,000	25,139	(861)
Public safety and welfare	32,090	32,090	32,092	2
Emergency management director	7,047	7,047	7,047	-
Fire mains and hydrants	7,842	7,842	7,429	(413)
Building official	47,506	47,506	43,316	(4,190)
Total public safety	<u>616,293</u>	<u>616,293</u>	<u>610,586</u>	<u>(5,707)</u>
PUBLIC WORKS				
Public works department	1,145,637	1,135,996	1,124,397	(11,599)
Cemetery	2,000	2,000	2,000	-
Transfer station	213,943	247,584	244,684	(2,900)
Total public works	<u>1,361,580</u>	<u>1,385,580</u>	<u>1,371,081</u>	<u>(14,499)</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, 2020

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
EDUCATION				Over (Under)
Elementary	\$ 1,387,685	\$ 1,366,840	\$ 1,302,895	\$ (63,945)
Art	73,044	73,044	69,456	(3,588)
English	118,051	118,051	118,055	4
World Language	123,847	73,847	69,558	(4,289)
Computer Science	116,635	172,017	196,911	24,894
Physical Education	173,956	173,956	172,601	(1,355)
Mathematics	137,967	137,967	157,222	19,255
Music	185,849	185,849	184,320	(1,529)
Science	62,688	62,688	57,884	(4,804)
Social Studies	86,899	86,899	86,827	(72)
Reading	10,132	10,132	7,331	(2,801)
Kindergarten	209,293	209,293	187,681	(21,612)
Sports Program	31,954	31,954	23,913	(8,041)
Extracurricular Activity	13,538	13,538	5,054	(8,484)
Paras - Regular	27,235	27,235	32,740	5,505
Health & Safety	45,296	45,296	44,145	(1,151)
System-wide Enrichment	86,671	62,225	40,565	(21,660)
English Language Learner	500	500	492	(8)
Special Education	561,861	561,861	575,495	13,634
Paras - Special Education	228,715	228,715	391,056	162,341
Section 504	3,150	3,150	3,716	566
Tuition Outplacement	153,231	172,985	289,972	116,987
OT, PT, Support Services	690,800	690,800	381,849	(308,951)
Homebound	-	-	1,059	1,059
Summer School	39,270	39,270	16,925	(22,345)
Dental Insurance	50,144	50,144	38,977	(11,167)
Health Insurance	1,163,184	1,163,184	967,035	(196,149)
Life Insurance	11,444	11,444	7,832	(3,612)
Unemployment	6,000	6,000	7,142	1,142
Workmen's Compensation	39,676	39,676	38,519	(1,157)
Payroll Taxes	143,351	143,351	148,699	5,348
TSA Contribution	33,425	33,425	27,295	(6,130)
Social Worker	69,058	69,058	69,058	-
Guidance	87,830	87,830	60,539	(27,291)
Health Services	106,691	106,691	105,691	(1,000)
Psychology	97,940	97,940	97,603	(337)
Speech Hearing Services	173,820	173,820	174,011	191
Reading Development	84,171	84,171	83,371	(800)
Staff Development	48,835	48,835	49,924	1,089
Workshops	16,000	16,000	7,113	(8,887)
Media Center	139,564	139,564	91,497	(48,067)
Board of Education	37,626	37,626	41,488	3,862
Administrative Offices	240,963	240,963	236,418	(4,545)
Principal's Office	452,939	452,939	447,188	(5,751)
Plant Operations	557,741	577,896	570,915	(6,981)
Transportation	559,485	559,485	541,089	(18,396)
Orientation/Field Trips	941	941	269	(672)
Subtotal education	<u>8,689,095</u>	<u>8,689,095</u>	<u>8,229,395</u>	<u>(459,700)</u>
Transfer surplus to BOE Nonlapsing Fund	-	-	173,781	173,781
Total education	<u>8,689,095</u>	<u>8,689,095</u>	<u>8,403,176</u>	<u>(285,919)</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, 2020

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REGIONAL SCHOOL DISTRICT NO. 19	\$ 4,196,986	\$ 4,196,986	\$ 4,196,986	\$ -
OTHER				
Social security	84,864	84,864	81,608	(3,256)
Unemployment	8,000	8,000	2,780	(5,220)
Employee health insurance	299,491	197,446	195,060	(2,386)
Pension fund	53,580	53,580	46,573	(7,007)
Insurance	87,649	88,017	88,017	-
Contingency fund	32,990	-	-	-
Other	2,500	4,059	4,059	-
Total other	<u>569,074</u>	<u>435,966</u>	<u>418,097</u>	<u>(17,869)</u>
DEBT SERVICE				
Principal payments	168,880	168,880	168,880	-
Interest and fiscal charges	47,528	47,528	47,528	-
Total debt service	<u>216,408</u>	<u>216,408</u>	<u>216,408</u>	<u>-</u>
CAPITAL OUTLAYS	<u>74,100</u>	<u>29,116</u>	<u>21,616</u>	<u>(7,500)</u>
Total expenditures	<u>16,941,231</u>	<u>16,868,566</u>	<u>16,460,831</u>	<u>(407,735)</u>
OTHER FINANCING USES				
Transfers out:				
Reserve for compensated absences	20,000	20,000	20,000	-
Dog fund	22,401	22,401	22,401	-
Fire department	238,005	298,005	298,005	-
Willington Public Library	187,036	187,036	187,036	-
Recreation commission	69,169	69,169	69,169	-
Human services	48,579	48,579	48,579	-
Open space	30,000	30,000	30,000	-
Capital projects	-	252,916	252,916	-
Reserve for capital and nonrecurring	145,000	145,000	145,000	-
Housing Authority	2,182	2,182	2,182	-
Other	1,000	1,000	1,000	-
Total other financing uses	<u>763,372</u>	<u>1,076,288</u>	<u>1,076,288</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 17,704,603</u>	<u>\$ 17,944,854</u>	<u>\$ 17,537,119</u>	<u>\$ (407,735)</u>

(Concluded)

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2020

Grand List Year	Uncollected Taxes July 1, 2019	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2020
			Additions	Deletions			Taxes	Interest	Liens	
2018	\$ -	\$13,434,263	\$ 53,798	\$ 73,502	\$ 1,634	\$13,412,925	\$13,316,970	\$ 34,713	\$ 3,769	\$ 95,955
2017	78,253	-	1,545	4,968	1,843	72,987	53,952	9,756	1,172	19,035
2016	17,732	-	773	755	6,054	11,696	4,519	1,456	643	7,177
2015	3	-	-	3	-	-	-	-	-	-
	<u>\$ 95,988</u>	<u>\$13,434,263</u>	<u>\$ 56,116</u>	<u>\$ 79,228</u>	<u>\$ 9,531</u>	<u>\$13,497,608</u>	<u>\$13,375,441</u>	<u>\$ 45,925</u>	<u>\$ 5,584</u>	<u>\$ 122,167</u>

TOWN OF WILLINGTON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2020

Total cash collections for the year ended
June 30, 2020:

Taxes	\$ 13,375,441
Interest and lien fees	51,509
Total	<u>13,426,950</u>

Reimbursement for revenue loss:

Tax relief (CGS 12-129d)	-
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Base \$ 13,426,950

	<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	\$ 30,210,638	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	60,421,275	-	-	-
3-3/4 times base	-	-	50,351,063	-	-
3-1/4 times base	-	-	-	43,637,588	-
3 times base	-	-	-	-	40,280,850
Total debt limitation	<u>30,210,638</u>	<u>60,421,275</u>	<u>50,351,063</u>	<u>43,637,588</u>	<u>40,280,850</u>
Indebtedness:					
Bonds payable	1,050,000	-	-	-	-
Regional School District No. 19:*					
Allocated portion of bonds payable	-	205,623	*	-	-
Total indebtedness	<u>1,050,000</u>	<u>205,623</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 29,160,638</u>	<u>\$ 60,215,652</u>	<u>\$ 50,351,063</u>	<u>\$ 43,637,588</u>	<u>\$ 40,280,850</u>
Total capacity of borrowing (7 times base)	93,988,650				
Total present indebtedness	1,255,623				
Margin for additional borrowing	<u>\$ 92,733,027</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%.

NONMAJOR GOVERNMENTAL FUNDS

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.

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.

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, 2020

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 673,879	\$ 566,230	\$ 1,240,109
Receivables:			
Grants and contracts	39,270	-	39,270
Other	3,975	-	3,975
Loans	630,884	-	630,884
Due from other funds	106,517	165,848	272,365
Inventories	4,148	-	4,148
Total assets	<u>\$ 1,458,673</u>	<u>\$ 732,078</u>	<u>\$ 2,190,751</u>
LIABILITIES			
Accounts payable	\$ 83,482	\$ -	\$ 83,482
Due to other funds	82,530	-	82,530
Unearned revenue	386	-	386
Total liabilities	<u>166,398</u>	<u>-</u>	<u>166,398</u>
FUND BALANCES			
Nonspendable - inventories	4,148	-	4,148
Restricted for rehabilitation loan program	795,295	-	795,295
Committed for:			
Capital purposes	-	732,078	732,078
Other purposes	492,832	-	492,832
Total fund balances	<u>1,292,275</u>	<u>732,078</u>	<u>2,024,353</u>
Total liabilities and fund balances	<u>\$ 1,458,673</u>	<u>\$ 732,078</u>	<u>\$ 2,190,751</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, 2020

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 468,114	\$ 63,694	\$ 531,808
Charges for services	339,145	-	339,145
Investment income	5,299	7,487	12,786
Other	55,265	300	55,565
Total revenues	<u>867,823</u>	<u>71,481</u>	<u>939,304</u>
EXPENDITURES			
Current:			
General government	10,556	-	10,556
Public safety	945,735	-	945,735
Culture and recreation	210,585	-	210,585
Education	523,102	-	523,102
Debt service:			
Principal payments	116,717	-	116,717
Interest and fiscal charges	7,554	-	7,554
Capital outlays	-	330,179	330,179
Total expenditures	<u>1,814,249</u>	<u>330,179</u>	<u>2,144,428</u>
Deficiency of revenues over expenditures	(946,426)	(258,698)	(1,205,124)
OTHER FINANCING SOURCES			
Transfers in	908,896	175,000	1,083,896
Total other financing sources	<u>908,896</u>	<u>175,000</u>	<u>1,083,896</u>
Net changes in fund balances	(37,530)	(83,698)	(121,228)
Fund balances - beginning	<u>1,329,805</u>	<u>815,776</u>	<u>2,145,581</u>
Fund balances - ending	<u>\$ 1,292,275</u>	<u>\$ 732,078</u>	<u>\$ 2,024,353</u>

TOWN OF WILLINGTON, CONNECTICUT
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
AS OF JUNE 30, 2020

	<u>Preservation Management Fund</u>	<u>Dog Fund</u>	<u>Parks and Recreation Fund</u>	<u>Willington Human Services Fund</u>	<u>Fire and Ambulance Fund</u>	<u>Fuel Bank Fund</u>
ASSETS						
Cash and cash equivalents	\$ 12,813	\$ -	\$ 100	\$ 10,213	\$ 477,584	\$ 11,973
Receivables:						
Grants and contracts	-	-	-	-	-	-
Other	-	733	-	-	-	-
Loans	-	-	-	-	-	-
Due from other funds	-	6,458	22,443	30,922	-	-
Inventories	-	-	-	-	-	-
Total assets	<u>\$ 12,813</u>	<u>\$ 7,191</u>	<u>\$ 22,543</u>	<u>\$ 41,135</u>	<u>\$ 477,584</u>	<u>\$ 11,973</u>
LIABILITIES						
Accounts payable	\$ -	\$ 3,920	\$ 4,423	\$ 3,197	\$ 40,575	\$ -
Due to other funds	-	-	-	-	66,454	8,218
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>3,920</u>	<u>4,423</u>	<u>3,197</u>	<u>107,029</u>	<u>8,218</u>
FUND BALANCES						
Nonspendable - inventories	-	-	-	-	-	-
Restricted for rehabilitation loan program	-	-	-	-	-	-
Committed for other purposes	<u>12,813</u>	<u>3,271</u>	<u>18,120</u>	<u>37,938</u>	<u>370,555</u>	<u>3,755</u>
Total fund balances	<u>12,813</u>	<u>3,271</u>	<u>18,120</u>	<u>37,938</u>	<u>370,555</u>	<u>3,755</u>
Total liabilities and fund balances	<u>\$ 12,813</u>	<u>\$ 7,191</u>	<u>\$ 22,543</u>	<u>\$ 41,135</u>	<u>\$ 477,584</u>	<u>\$ 11,973</u>

(Continued)

TOWN OF WILLINGTON, CONNECTICUT
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS *(Continued)*
 AS OF JUNE 30, 2020

	<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>
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 161,196	\$ 673,879
Receivables:					
Grants and contracts	17,203	22,067	-	-	39,270
Other	-	27	-	3,215	3,975
Loans	-	-	-	630,884	630,884
Due from other funds	-	-	46,694	-	106,517
Inventories	-	4,148	-	-	4,148
Total assets	<u>\$ 17,203</u>	<u>\$ 26,242</u>	<u>\$ 46,694</u>	<u>\$ 795,295</u>	<u>\$ 1,458,673</u>
LIABILITIES					
Accounts payable	\$ 12,217	\$ 6,522	\$ 12,628	\$ -	\$ 83,482
Due to other funds	4,600	3,258	-	-	82,530
Unearned revenue	386	-	-	-	386
Total liabilities	<u>17,203</u>	<u>9,780</u>	<u>12,628</u>	<u>-</u>	<u>166,398</u>
FUND BALANCES					
Nonspendable - inventories	-	4,148	-	-	4,148
Restricted for rehabilitation loan program	-	-	-	795,295	795,295
Committed for other purposes	-	12,314	34,066	-	492,832
Total fund balances	<u>-</u>	<u>16,462</u>	<u>34,066</u>	<u>795,295</u>	<u>1,292,275</u>
Total liabilities and fund balances	<u>\$ 17,203</u>	<u>\$ 26,242</u>	<u>\$ 46,694</u>	<u>\$ 795,295</u>	<u>\$ 1,458,673</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, 2020

	<u>Preservation Management Fund</u>	<u>Dog Fund</u>	<u>Parks and Recreation Fund</u>	<u>Willington Human Services Fund</u>	<u>Fire and Ambulance Fund</u>	<u>Fuel Bank Fund</u>
REVENUES						
Intergovernmental	\$ 5,500	\$ -	\$ -	\$ 22,588	\$ -	\$ -
Charges for services	2,607	7,765	38,480	3,574	204,524	-
Investment income	7	-	-	153	4,817	5
Other	-	-	-	21,452	31,055	2,758
Total revenues	<u>8,114</u>	<u>7,765</u>	<u>38,480</u>	<u>47,767</u>	<u>240,396</u>	<u>2,763</u>
EXPENDITURES						
Current:						
General government	5,650	-	-	-	-	4,906
Public safety	-	34,394	-	-	911,341	-
Culture and recreation	-	-	117,478	93,107	-	-
Education	-	-	-	-	-	-
Debt service:						
Principal payments	-	-	-	-	116,717	-
Interest and fiscal charges	-	-	-	-	7,554	-
Total expenditures	<u>5,650</u>	<u>34,394</u>	<u>117,478</u>	<u>93,107</u>	<u>1,035,612</u>	<u>4,906</u>
Excess (deficiency) of revenues over expenditures	2,464	(26,629)	(78,998)	(45,340)	(795,216)	(2,143)
OTHER FINANCING SOURCES						
Transfers in	-	22,401	69,169	48,579	768,747	-
Total other financing sources	<u>-</u>	<u>22,401</u>	<u>69,169</u>	<u>48,579</u>	<u>768,747</u>	<u>-</u>
Net changes in fund balances	2,464	(4,228)	(9,829)	3,239	(26,469)	(2,143)
Fund balances - beginning	<u>10,349</u>	<u>7,499</u>	<u>27,949</u>	<u>34,699</u>	<u>397,024</u>	<u>5,898</u>
Fund balances - ending	<u>\$ 12,813</u>	<u>\$ 3,271</u>	<u>\$ 18,120</u>	<u>\$ 37,938</u>	<u>\$ 370,555</u>	<u>\$ 3,755</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, 2020

	State and Federal Grants Fund	School Lunch Fund	Education Fund	Small Cities Grant Housing Fund	Total Nonmajor Special Revenue Funds
REVENUES					
Intergovernmental	\$ 291,020	\$ 124,006	\$ 25,000	\$ -	\$ 468,114
Charges for services	-	82,195	-	-	339,145
Investment income	-	-	-	317	5,299
Other	-	-	-	-	55,265
Total revenues	<u>291,020</u>	<u>206,201</u>	<u>25,000</u>	<u>317</u>	<u>867,823</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	10,556
Public safety	-	-	-	-	945,735
Culture and recreation	-	-	-	-	210,585
Education	291,020	206,153	25,929	-	523,102
Debt service:					
Principal payments	-	-	-	-	116,717
Interest and fiscal charges	-	-	-	-	7,554
Total expenditures	<u>291,020</u>	<u>206,153</u>	<u>25,929</u>	<u>-</u>	<u>1,814,249</u>
Excess (deficiency) of revenues over expenditures	-	48	(929)	317	(946,426)
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	908,896
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>908,896</u>
Net changes in fund balances	-	48	(929)	317	(37,530)
Fund balances - beginning	<u>-</u>	<u>16,414</u>	<u>34,995</u>	<u>794,978</u>	<u>1,329,805</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 16,462</u>	<u>\$ 34,066</u>	<u>\$ 795,295</u>	<u>\$ 1,292,275</u>

(Concluded)

TOWN OF WILLINGTON, CONNECTICUT
COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
AS OF JUNE 30, 2020

	Park and Recreation Capital and Nonrecurring Fund	Reserve for Capital and Nonrecurring Fund	Open Space Fund	Total Nonmajor Capital Projects Funds
ASSETS				
Cash and cash equivalents	\$ 9,886	\$ 490,565	\$ 65,779	\$ 566,230
Due from other funds	600	165,248	-	165,848
Total assets	\$ 10,486	\$ 655,813	\$ 65,779	\$ 732,078
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
FUND BALANCES				
Committed for capital purposes	10,486	655,813	65,779	732,078
Total liabilities and fund balance	\$ 10,486	\$ 655,813	\$ 65,779	\$ 732,078

TOWN OF WILLINGTON, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	Park and Recreation Capital and Nonrecurring Fund	Reserve for Capital and Nonrecurring Fund	Open Space Fund	Total Nonmajor Capital Projects Funds
REVENUES				
Intergovernmental	\$ -	\$ 63,694	\$ -	\$ 63,694
Investment income	5	7,424	58	7,487
Other	300	-	-	300
Total revenues	<u>305</u>	<u>71,118</u>	<u>58</u>	<u>71,481</u>
EXPENDITURES				
Capital outlays	-	330,179	-	330,179
Total expenditures	<u>-</u>	<u>330,179</u>	<u>-</u>	<u>330,179</u>
Excess (deficiency) of revenues over expenditures	305	(259,061)	58	(258,698)
OTHER FINANCING SOURCES				
Transfers in	-	145,000	30,000	175,000
Total other financing sources	<u>-</u>	<u>145,000</u>	<u>30,000</u>	<u>175,000</u>
Net changes in fund balances	305	(114,061)	30,058	(83,698)
Fund balances - beginning	<u>10,181</u>	<u>769,874</u>	<u>35,721</u>	<u>815,776</u>
Fund balances - ending	<u>\$ 10,486</u>	<u>\$ 655,813</u>	<u>\$ 65,779</u>	<u>\$ 732,078</u>

AGENCY FUNDS

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, 2020

	Center School Activity Fund	Hall Memorial School Activity Fund	Performance Bond Fund	Flex Benefit Fund	Tax Sale Proceeds Fund	Willington Day Fund	Scholarship Fund	Total Agency Funds
ASSETS								
Cash and cash equivalents	\$ 5,076	\$ 111,148	\$ 16,518	\$ 5,805	\$ 2,584	\$ 5,116	\$ -	\$ 146,247
Investments	-	-	-	-	-	-	11,787	11,787
Receivables	-	-	-	4,000	-	-	-	4,000
Total assets	<u>\$ 5,076</u>	<u>\$ 111,148</u>	<u>\$ 16,518</u>	<u>\$ 9,805</u>	<u>\$ 2,584</u>	<u>\$ 5,116</u>	<u>\$ 11,787</u>	<u>\$ 162,034</u>
LIABILITIES								
Due to others	\$ 5,076	\$ 111,148	\$ 16,518	\$ 9,805	\$ 2,584	\$ 5,116	\$ 11,787	\$ 162,034
Total liabilities	<u>\$ 5,076</u>	<u>\$ 111,148</u>	<u>\$ 16,518</u>	<u>\$ 9,805</u>	<u>\$ 2,584</u>	<u>\$ 5,116</u>	<u>\$ 11,787</u>	<u>\$ 162,034</u>

TOWN OF WILLINGTON, CONNECTICUT
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES -
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	Balance, July 1, 2019	Additions	Deletions	Balance, June 30, 2020
ASSETS				
Cash and cash equivalents:				
Hall Memorial School Activity Fund	\$ 8,577	\$ 49,482	\$ 52,983	\$ 5,076
Performance Bond Fund	124,439	2,109	15,400	111,148
Center School Activity Fund	17,294	10,468	11,244	16,518
Flex Benefit Fund	4,011	6,013	4,219	5,805
Willington Day Fund	2,541	43	-	2,584
Tax Sale Proceeds Fund	5,110	6	-	5,116
Investments:				
Scholarship Fund	11,744	43	-	11,787
Receivables:				
Flex Benefit Fund	-	4,000	-	4,000
Total assets	\$ 173,716	\$ 72,164	\$ 83,846	\$ 162,034
LIABILITIES				
Due to others	\$ 173,716	\$ 72,164	\$ 83,846	\$ 162,034
Total liabilities	\$ 173,716	\$ 72,164	\$ 83,846	\$ 162,034

STATISTICAL SECTION

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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These schedules contain trend information to help the reader understand how the Town’s financial performance and well-being have changed over time.	90
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Demographic and Economic Information	
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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				
	2011	2012	2013	2014	2015
Governmental activities					
Net investment in capital assets	\$ 9,210,797	\$ 9,559,588	\$10,016,613	\$ 9,992,318	\$ 10,076,058
Restricted	703,772	849,922	851,790	851,280	794,661
Unrestricted	2,432,276	2,367,750	2,535,119	2,706,117	2,488,930
Total governmental activities net position	<u>12,346,845</u>	<u>12,777,260</u>	<u>13,403,522</u>	<u>13,549,715</u>	<u>13,359,649</u>
Business type activities					
Net investment in capital assets	-	1,308,851	1,258,718	1,208,585	1,158,452
Restricted	-	-	-	-	-
Unrestricted	-	17,220	23,830	25,470	29,598
Total business type activities	<u>-</u>	<u>1,326,071</u>	<u>1,282,548</u>	<u>1,234,055</u>	<u>1,188,050</u>
Primary government					
Net investment in capital assets	9,210,797	10,868,439	11,275,331	11,200,903	11,234,510
Restricted	703,772	849,922	851,790	851,280	794,661
Unrestricted	2,432,276	2,384,970	2,558,949	2,731,587	2,518,528
Total primary government	<u>\$ 12,346,845</u>	<u>\$ 14,103,331</u>	<u>\$ 14,686,070</u>	<u>\$ 14,783,770</u>	<u>\$ 14,547,699</u>
	Primary Government				
	2016	2017	2018	2019	2020
Governmental activities					
Net investment in capital assets	\$ 10,147,908	\$10,784,751	\$10,814,133	\$10,507,580	\$ 11,525,867
Restricted	794,697	702,811	794,778	794,978	795,295
Unrestricted	2,624,546	3,018,609	3,229,080	3,957,057	3,222,158
Total governmental activities net position	<u>13,567,151</u>	<u>14,506,171</u>	<u>14,837,991</u>	<u>15,259,615</u>	<u>15,543,320</u>
Business type activities					
Net investment in capital assets	1,108,319	1,058,186	1,023,782	976,271	930,709
Restricted	-	-	-	-	-
Unrestricted	43,603	51,090	71,373	96,505	118,283
Total business type activities	<u>1,151,922</u>	<u>1,109,276</u>	<u>1,095,155</u>	<u>1,072,776</u>	<u>1,048,992</u>
Primary government					
Net investment in capital assets	11,256,227	11,842,937	11,837,915	11,483,851	12,456,576
Restricted	794,697	702,811	794,778	794,978	795,295
Unrestricted	2,668,149	3,069,699	3,300,453	4,053,562	3,340,441
Total primary government	<u>\$ 14,719,073</u>	<u>\$ 15,615,447</u>	<u>\$ 15,933,146</u>	<u>\$ 16,332,391</u>	<u>\$ 16,592,312</u>

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

	<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>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 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	\$ 1,487,717
Public Safety	835,768	808,026	943,852	1,082,315	1,093,329	1,052,766	1,113,193	1,131,041	1,124,075	1,237,537
Public works	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	1,782,969
Culture and recreation	748,023	438,907	434,295	478,474	530,867	518,593	561,434	529,115	619,422	617,299
Education	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	10,688,731
Regional School District No. 19	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	4,196,986
Interest on long-term debt	105,003	114,644	101,373	90,735	89,365	89,124	91,115	99,303	70,052	58,554
Total governmental activities expenses	<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>	<u>20,069,793</u>
Business-type activities:										
Utility	62,439	68,401	67,067	80,963	72,627	71,604	91,884	61,956	69,984	69,664
Total business-type activities expenses	<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>	<u>69,664</u>
Total primary government expenses	<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>	<u>20,139,457</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	161,332	240,799	170,064	221,922	192,553	259,730	199,031	264,863	252,359	197,576
Public Safety	196,839	221,818	243,897	236,473	270,043	221,176	216,841	207,777	258,303	243,344
Parks and recreation	57,773	39,586	30,157	32,431	46,175	32,686	49,851	59,603	91,689	67,520
Education	123,771	126,632	121,048	117,197	184,256	112,860	114,168	110,115	105,842	82,195
Operating grants and contributions	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	6,036,500
Capital grants and contributions	147,600	229,526	503,844	193,698	539,080	146,450	714,792	16,762	70,899	63,694
Total governmental activities program revenues	<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>	<u>6,690,829</u>
Business-type activities:										
Charges for services:										
Utility	20,427	21,725	23,541	32,468	26,576	35,412	49,198	47,747	47,489	45,753
Total business-type activities program revenues	<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>	<u>45,753</u>
Total primary government program revenues	<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>	<u>6,736,582</u>

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Governmental activities	\$(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)	\$(13,378,964)
Business-type activities	(42,012)	(46,676)	(43,526)	(48,495)	(46,051)	(36,192)	(42,686)	(14,209)	(22,495)	(23,911)
Total primary government net expense	<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>	<u>(13,402,875)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	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	13,498,100
Unrestricted grants and contributions	84,338	141,365	152,569	85,033	92,957	91,664	206,391	97,415	43,567	48,152
Investment earnings	14,168	8,116	13,289	15,607	15,731	26,677	38,385	77,071	155,305	116,417
Transfers	(1,403,928)	-	-	-	-	-	-	-	-	-
Total governmental activities	<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>	<u>13,662,669</u>
Business-type activities:										
Investment earnings	24	2	3	2	46	64	40	88	116	127
Transfers	1,403,928	-	-	-	-	-	-	-	-	-
Total business-type activities	<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>	<u>127</u>
Total primary government	<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>	<u>13,662,796</u>
Change in Net Position										
Governmental activities	(1,162,755)	430,415	626,262	146,193	(58,205)	207,502	939,020	412,770	421,624	283,705
Business-type activities	1,361,940	(46,674)	(43,523)	(48,493)	(46,005)	(36,128)	(42,646)	(14,121)	(22,379)	(23,784)
Total primary government	<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>	<u>\$ 259,921</u>

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

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017*	2018	2019	2020
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	719,914
Assigned	473,892	448,670	454,926	539,175	342,097	401,335	634,964	184,374	521,704	822,564
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	2,644,892
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>\$ 4,187,370</u>
All Other Governmental Funds										
Nonspendable	\$ 2,387	\$ 1,706	\$ 790,583	\$ 779,987	\$ 733,892	\$ 723,897	\$ 1,358	\$ 1,655	\$ 1,511	\$ 4,148
Restricted	-	-	63,283	73,369	69,185	74,526	794,733	794,778	794,978	795,295
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	1,441,096
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>\$ 2,240,539</u>

* - 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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 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	\$ 13,443,090
Licenses, fees and permits	498,499	555,071	481,206	515,906	511,631	567,048	511,608	551,950	621,429	499,322
Intergovernmental	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	5,615,914
Investment earnings	14,168	8,116	13,289	15,607	15,731	24,726	38,385	77,071	155,305	116,417
Other revenues	133,748	152,660	174,312	125,266	181,396	187,395	99,255	90,463	86,315	100,313
Total revenues	17,344,995	17,784,942	18,161,557	18,038,700	18,750,901	18,448,584	19,178,593	18,890,391	19,721,715	19,775,056
Expenditures										
General government	1,483,502	1,464,786	1,126,690	1,128,337	1,190,399	1,088,490	1,146,497	1,071,967	1,277,908	1,386,618
Public Safety	734,964	764,927	864,564	927,083	936,694	935,742	1,010,169	968,282	987,800	1,165,932
Public works	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	1,463,822
Culture and recreation	660,698	348,050	338,515	369,409	345,355	378,539	439,418	401,501	448,390	463,776
Education	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	14,113,849
Capital outlay	1,425,000	384,187	356,466	413,348	1,497,647	1,359,563	935,085	554,800	283,321	692,849
Debt service:										
Interest	105,856	115,466	102,194	91,869	90,257	89,930	91,921	100,117	70,642	61,120
Principal	325,376	362,905	299,121	260,969	306,615	415,957	411,378	394,622	347,974	360,340
Total expenditures	18,532,848	17,674,711	17,769,288	17,933,201	19,254,147	19,114,140	19,012,066	18,784,264	18,982,160	19,708,306
Excess of revenues over (under) expenditures	(1,187,853)	110,231	392,269	105,499	(503,246)	(665,556)	166,527	106,127	739,555	66,750

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

Other Financing Sources (Uses)	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Proceeds from sale of capital assets	\$ -	\$ 16,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital lease financing	615,000	-	-	293,442	161,586	824,875	30,800	214,000	-	116,913
Transfers in	429,819	387,716	800,426	1,034,162	1,245,719	971,089	1,077,144	1,045,172	992,196	1,339,994
Transfers out	(429,819)	(387,716)	(800,426)	(1,034,162)	(1,245,719)	(971,089)	(1,077,144)	(1,045,172)	(992,196)	(1,339,994)
Total other financing sources (uses)	615,000	16,800	-	293,442	161,586	824,875	30,800	214,000	-	116,913
Net change in fund balances	\$ (572,853)	\$ 127,031	\$ 392,269	\$ 398,941	\$ (341,660)	\$ 159,319	\$ 197,327	\$ 320,127	\$ 739,555	\$ 183,663
Debt service as a percentage of noncapital expenditures	2.5%	2.8%	2.3%	2.0%	2.2%	2.8%	2.8%	2.7%	2.2%	2.1%

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
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%
2020	291,548,590	71,173,618	12,979,792	24,338,070	46,121,649	3,414,900	442,746,819	30.09	637,373,884	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, 2013 grand list (fiscal 2015).

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					
	2020			2011		
	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	23,023,780	1	5.2%	2,162,370	9	0.5%
Willington Oak Apartments (fka Ing US Students No 7 LLC)	9,184,310	2	2.1%	6,459,600	3	1.4%
Eversource (fka Connecticut Light & Power)	8,851,770	3	2.0%	4,170,590	6	0.9%
GLK Realty LTD Partnership	8,837,850	4	2.0%	10,575,220	2	2.2%
Willington Property Group LLC (fka Uconn Cedar and fka Storrs Polo)	6,400,420	5	1.4%	4,955,440	4	1.1%
Royce Properties LLC	4,341,350	6	1.0%	4,891,510	5	1.0%
Lawrence Becker	2,369,390	7	0.5%	2,786,530	7	0.6%
Ridgeview WH LLC (fka Perryridge Investors LLC)	2,249,780	8	0.5%			
Deer Park Apts LLC	1,769,200	9	0.4%	1,990,800	10	0.4%
C&S Willington Ltd Partnership	1,583,400	10	0.4%			
ING US Students No. 3 LLC				2,422,350	8	0.5%
Services Development Corp				21,000,000	1	4.5%
Total	68,611,250		15.5%	61,414,410		13.0%

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
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	11,993,801	11,900,866	99.23%	92,935	11,993,801	100.00%
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%	60,551	13,256,612	99.46%
2019	13,236,107	13,134,708	99.23%	53,952	13,188,660	99.64%
2020	13,412,925	13,316,970	99.28%	-	13,316,970	99.28%

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

Fiscal Year	Net General Obligation Bonds	Unamortized Premium	Total Primary Government	Percentage of Actual Property Value (1)	Percentage of Personal Income (2)	Total Debt Per Capita (2)	Net Bonded Debt Per Capita (2)
2011	\$ 2,400,000	\$ 5,474	\$ 2,405,474	0.36%	1.39%	\$ 398	\$ 397
2012	2,255,121	5,121	2,260,242	0.33%	1.22%	375	374
2013	2,104,768	4,768	2,109,536	0.31%	1.14%	352	351
2014	1,954,415	4,415	1,958,830	0.28%	0.94%	328	328
2015	1,804,062	4,062	1,808,124	0.29%	1.13%	305	304
2016	1,653,709	3,709	1,657,418	0.26%	0.83%	281	280
2017	1,500,000	3,356	1,503,356	0.24%	0.66%	256	255
2018	1,350,000	3,003	1,353,003	0.21%	0.58%	229	228
2019	1,200,000	2,650	1,202,650	0.19%	0.52%	204	204
2020	1,050,000	2,297	1,052,297	0.17%	0.40%	179	179

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									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Legal Debt Margin Calculation:										
Total cash collections for the fiscal year:										
Taxes	\$ 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	\$ 13,375,441
Interest and lien fees	60,520	77,913	66,204	54,424	62,716	55,494	46,579	48,976	50,084	51,509
	<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>	<u>13,426,950</u>
Reimbursements for revenue loss:										
Tax relief (CGS 12-129d)	17,717	20,031	18,467	15,632	16,658	14,699	13,501	1,033	-	-
Base	<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>	<u>\$ 13,426,950</u>
Indebtedness:										
General Purposes:										
Bonds payable	<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>	<u>\$ 1,050,000</u>
Subtotal general purposes	<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>	<u>1,050,000</u>
Schools:										
Regional School District 19	<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>239,894</u>	<u>205,623</u>
Subtotal schools	<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>239,894</u>	<u>205,623</u>
Total indebtedness	<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>\$ 1,439,894</u>	<u>\$ 1,255,623</u>
Total capacity of borrowing (7 times base)	\$ 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	\$ 93,988,650
Total present indebtedness	5,693,184	5,384,832	3,110,122	2,793,236	2,472,026	2,156,533	1,875,779	1,623,668	1,439,894	1,255,623
Margin for additional borrowing	<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>\$ 91,360,009</u>	<u>\$ 92,733,027</u>
Total net debt applicable to the debt limit as a percentage of the debt limit	<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>	<u>1%</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
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
UNAUDITED**

<u>Employer</u>	<u>2020</u>			<u>2011</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	1,000	1	29.6%	700	1	19.0%
Town of Willington	126	2	3.7%	137	3	3.7%
Travel Centers of America	123	3	3.6%	170	2	4.6%
Willington Pizza	50	4	1.5%	74	4	2.0%
St of Ct - Depart of Transportation	31	5	0.9%	21	5	0.6%
Becker Construction	22	6	0.7%	19	6	0.5%
Hilltop Restaurant Bar & Banquet	19	7	0.6%			
Kids Kingdom	18	8	0.5%			
Cable Technology, Inc	16	9	0.5%	19	7	0.5%
Mycoscience Labs	14	10	0.4%			
High Chase (Lyon Manor)				13	8	0.4%
Key Bank (New Alliance)				6	9	0.2%
Rodeway Inn				4	10	0.1%
Total	1,419		42.0%	1,163		31.6%

Source: Town of Willington Finance Office

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

Function/Program	Full-time Equivalent Employees as of June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Management services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.9	6.9
Finance	4.2	4.2	4.2	4.2	4.2	4.1	4.1	3.6	3.6	3.6
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0
Building	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.0	0.0
Other	4.6	4.1	4.1	4.1	4.3	4.3	4.3	5.0	4.9	4.9
Fire										
Volunteer Firefighters	58.0	65.0	45.0	47.0	42.0	43.0	45.0	43.0	28.0	38.0
Transfer Station	1.2	1.2	1.2	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Other public works	5.1	5.2	5.2	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Parks and recreation	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.9	0.9	0.9
Library	3.4	3.4	3.9	3.5	3.5	3.5	3.5	3.5	3.5	3.0
Total	85.6	92.2	72.6	74.6	69.8	70.7	72.7	71.1	54.6	64.1

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**

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fire										
Emergency responses	1,693	877	798	748	838	849	839	819	913	830
Inspections	591	489	341	318	309	294	370	370	315	198
Refuse collection										
Refuse collected (tons per year)	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	2,892.4
Recyclables collected (tons per year)	710.1	705.9	695.2	582.7	599.6	585.7	565.4	582.0	495.9	1,095.2
Other public works										
Street resurfacing (miles)	8.0	4.9	4.9	6.8	3.4	3.8	3.39	3.69	3.60	8.34
Library										
Volumes in collection	37,470	37,470	44,496	49,192	54,301	57,596	46,065	47,962	47,962	50,421

Source: Various Town departments.

Table 14

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

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	298	292	292	292	292	292	292	292
Playgrounds	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	6	6	7	5	5	5	5	5	5	5
Soccer/football fields	3	3	4	3	3	3	3	3	3	3

Source: Various Town departments.