

TOWN OF BURLINGTON, CONNECTICUT
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

**TOWN OF BURLINGTON, CONNECTICUT
ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS**

Financial Section

Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-10

Basic Financial Statements

Exhibit

Government-Wide Financial Statements

I	Statement of Net Position	11
II	Statement of Activities	12

Fund Financial Statements

III	Balance Sheet - Governmental Funds	13-14
IV	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	15-16
V	Statement of Net Position - Proprietary Funds	17
VI	Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	18
VII	Statement of Cash Flows - Proprietary Funds	19
VIII	Statement of Net Position - Fiduciary Funds	20
IX	Statement of Changes in Net Position - Fiduciary Funds	21
	Notes to the Financial Statements	22-55

Required Supplementary Information

RSI-1	Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund	56
RSI-2	Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund	57-59
RSI-3	Schedule of Changes in Net Pension Liability and Related Ratios - Employees Pension Plan	60
RSI-4	Schedule of Employer Contributions - Employees Pension Plan	61
RSI-5	Schedule of Changes in Net Pension Liability and Related Ratios - Constables Pension Plan	62
RSI-6	Schedule of Employer Contributions - Constables Pension Plan	63
RSI-7	Schedule of Investment Returns - Pension Plan	64
RSI-8	Schedule of Changes in Total OPEB Liability and Related Ratios	65

Supplemental, Combining and Individual Fund Statements and Schedules

<u>Exhibit</u>		<u>Page</u>
	<u>General Fund</u>	
A-1	Combining Balance Sheet	66
A-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	67
	<u>Nonmajor Governmental Funds</u>	
B-1	Combining Balance Sheet	68-70
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	71-73
	<u>Nonmajor Enterprise Funds</u>	
C-1	Combining Balance Sheet	74
C-2	Combining Statement of Revenues, Expenses and Changes in Net Position	75
C-3	Combining Statement of Cash Flows	76
	<u>Other Schedules</u>	
1	Schedule of Property Taxes Levied, Collected and Outstanding	77
2	Schedules pf Sewer and Sewer Assessments	78
3	Schedule of Debt Limitation	79
<u>Table</u>	<u>Statistical Section</u>	
1	Comparative Assessed Valuations	80
2	Principal Taxpayers	81
3	Property Tax Rates, Levies and Collections	82
4	Debt Statement	83
5	Current Debt Ratios	84



Independent Auditors' Report

Board of Finance
Town of Burlington, 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 Burlington, Connecticut, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Burlington, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe 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 Burlington, Connecticut, as of June 30, 2021 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.

Emphasis of a Matter

As discussed in Note 8, during fiscal year ended June 30, 2021, the Town of Burlington, Connecticut adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the Town reported a restatement for the change in accounting principle. As further discussed in the note, the Town also corrected various misstatements. Our auditors' opinion was not modified with respect to these restatements.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2022 on our consideration of the Town of Burlington, Connecticut'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Burlington, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Burlington, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, Connecticut
January 10, 2022

TOWN OF BURLINGTON
Management's Discussion and Analysis
June 30, 2021

As management of the Town of Burlington, CT, we offer readers of the Town of Burlington, CT's financial statements this narrative overview and analysis of the financial activities of the Town of Burlington, CT for the fiscal year ended June 30, 2021.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Town of Burlington, CT exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$26,653,108 (*net position*). Of this amount, \$13,168,892 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. Restricted net position of \$1,145,496 is for various programs such as the substance abuse prevention program, small cities program, historic preservation, Food and Fuel Assistance, Recreation, Tavern Day and the dog fund.
- The government's total net position, which is determined using the full accrual basis of accounting, increased by \$1,495,779. The increase is primarily attributable to the collection of back taxes and the percentage of current year taxes collected remaining strong.
- As of the close of the current fiscal year, the Town of Burlington, CT's governmental funds reported combined ending fund balances of \$13,882,846, an increase of \$910,970 in comparison with the prior year. Of this amount, \$6,206,004 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,206,064 or 16% percent of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

The *statement of activities* presents information showing how the government's net position is changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned but unused vacation leave).

TOWN OF BURLINGTON
Management's Discussion and Analysis
June 30, 2021

Both of the government-wide financial statements distinguish functions of the Town of Burlington, CT that are principally supported by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Burlington, CT include education, public safety, general government, library, highway, sanitation, health and welfare, and recreation.

The government-wide financial statements can be found on pages 11-12 of the town's financial statements.

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

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

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

The Town of Burlington, CT maintains twenty-two (22) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund.

The Town of Burlington, CT adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13-16 of the town's financial statements.

Proprietary Funds. The Town maintains two proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund and Operation of Senior Housing.

The basic proprietary fund financial statements can be found on pages 17-19 of the town's financial statements.

TOWN OF BURLINGTON
Management's Discussion and Analysis
June 30, 2021

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

The basic fiduciary fund financial statements can be found on pages 20-21 of the town's financial statements.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-55 of the town's financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Burlington, CT, assets exceeded liabilities by \$26,653,108 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current assets	\$ 17,767,574	\$ 15,705,985	\$ 201,374	\$ 178,533	\$ 17,968,948	\$ 15,884,518
Capital assets, net of accumulated depreciation	18,387,634	17,882,286	5,857	9,888	18,393,491	17,892,174
Total assets	<u>36,155,208</u>	<u>33,588,271</u>	<u>207,231</u>	<u>188,421</u>	<u>36,362,439</u>	<u>33,776,692</u>
Deferred outflows of resources	197,240	246,573			197,240	246,573
Current liabilities	3,172,759	2,139,469	24,490	25,631	3,197,249	2,165,100
Long-term liabilities outstanding	5,717,723	6,585,988			5,717,723	6,585,988
Total liabilities	<u>8,890,482</u>	<u>8,725,457</u>	<u>24,490</u>	<u>25,631</u>	<u>8,914,972</u>	<u>8,751,088</u>
Deferred inflows of resources	991,599	80,951			991,599	80,951
Net Position:						
Net investments in capital assets	12,332,863	11,429,219	5,857	9,888	12,338,720	11,439,107
Restricted	1,145,496	362,266			1,145,496	362,266
Unrestricted	<u>12,992,008</u>	<u>13,236,951</u>	<u>176,884</u>	<u>152,902</u>	<u>13,168,892</u>	<u>13,389,853</u>
Total Net Position	<u>\$ 26,470,367</u>	<u>\$ 25,028,436</u>	<u>\$ 182,741</u>	<u>\$ 162,790</u>	<u>\$ 26,653,108</u>	<u>\$ 25,191,226</u>

A portion of the Town of Burlington, CT's net position (1.7% percent) represents net position restricted for substance abuse prevention, small cities program, dog fund, Food and Fuel Assistance, Recreation and Tavern Day. The remaining balance of *unrestricted net position* (\$13,168,892) may be used to meet the government's ongoing obligations to citizen and creditors.

At the end of the current fiscal year, the Town of Burlington, CT is able to report positive balances in all categories of net position, for the government as a whole.

TOWN OF BURLINGTON
Management's Discussion and Analysis
June 30, 2021

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Program revenues:						
Charges for services	\$ 1,354,347	\$ 1,177,873	\$ 254,402	\$ 250,899	\$ 1,608,749	\$ 1,428,772
Operating grants and contributions	4,113,768	4,314,481			4,113,768	4,314,481
Capital grants and contributions	1,275,339	702,786			1,275,339	702,786
General revenues:						
Property taxes	32,208,726	31,727,046			32,208,726	31,727,046
Grants not restricted to specific programs	57,348	75,750			57,348	75,750
Unrestricted investment earnings	40,472	157,576	1,069	1,560	41,541	159,136
Miscellaneous revenue	224,119	106,850			224,119	106,850
Total revenues	<u>39,274,119</u>	<u>38,262,362</u>	<u>255,471</u>	<u>252,459</u>	<u>39,529,590</u>	<u>38,514,821</u>
Expenses:						
General government	3,008,432	2,939,149			3,008,432	2,939,149
Public safety	2,213,301	1,864,124			2,213,301	1,864,124
Public works	4,324,185	4,187,642			4,324,185	4,187,642
Recreation	236,949	268,042			236,949	268,042
Library	578,252	508,582			578,252	508,582
Human services	73,200	84,951			73,200	84,951
Education	27,216,700	27,216,159			27,216,700	27,216,159
Miscellaneous		61,276				61,276
Interest on long-term debt	217,272	178,602			217,272	178,602
Senior Housing			160,437	178,215	160,437	178,215
Water and Sewer System			5,083	4,492	5,083	4,492
Total expenses	<u>37,868,291</u>	<u>37,308,527</u>	<u>165,520</u>	<u>182,707</u>	<u>38,033,811</u>	<u>37,491,234</u>
Change in net position before transfers	1,405,828	953,835	89,951	69,752	1,495,779	1,023,587
Transfers	70,000	70,000	(70,000)	(70,000)	-	-
Change in net position	<u>1,475,828</u>	<u>1,023,835</u>	<u>19,951</u>	<u>(248)</u>	<u>1,495,779</u>	<u>1,023,587</u>
Net Position at Beginning of Year	25,028,436	24,004,601	162,790	163,038	25,191,226	24,167,639
Restatement	(33,897)				(33,897)	
Net Position, as Restated	<u>24,994,539</u>				<u>25,157,329</u>	
Net Position at End of Year	<u>\$ 26,470,367</u>	<u>\$ 25,028,436</u>	<u>\$ 182,741</u>	<u>\$ 162,790</u>	<u>\$ 26,653,108</u>	<u>\$ 25,191,226</u>

Governmental Activities. Governmental activities increased the Town of Burlington, CT's net position by \$1,475,828.

Major Revenue Factors Included:

- The collection of back taxes and percentage of current year taxes collected remained strong
- Accelerated payoffs of homeowner sewer assessments due to property sales
- Zoning and building permits increased due to new home construction, renovations, and accessory structures (decks sheds and pools)
- Conveyance taxes increased due to home and property sales

Eighty-one percent (81%) of the revenues of the Town were derived from property taxes, followed by fourteen percent (14%) from grants and contributions, then four percent (4%) from charges for services and one percent (1%) of the Town's revenue in the fiscal year was derived from investment and other income.

TOWN OF BURLINGTON
Management's Discussion and Analysis
June 30, 2021

Major Expense Factors Include:

- The cost of education is the largest percentage of expenditures
- Increased cost for third-party paramedic services due to increased demand for services and a decrease in volunteer availability
- Increase funding reserves for Bridge/Road projects and BVFD apparatus

For Governmental activities, 72% of the Town's expenses relate to education, 6% relate to public safety, 11% relate to public works/operations, and remaining 11% relates to government and community services, administration, and other area.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds. The focus of the Town of Burlington, CT's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Burlington, CT's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Burlington, CT's governmental funds reported combined ending fund balances of \$13,882,846, an increase of \$910,970 in comparison with the prior year. 44.70% of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

The General Fund is the chief operating fund of the Town of Burlington, CT. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$6,206,064. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16% percent of total General Fund expenditures.

The fund balance of the Town of Burlington, CT's General Fund increased by \$881,077 during the current fiscal year. Key factors in this increase are as follows:

- Revenue exceeded estimates by a material amount
- Actual expenditures less than budgeted

GENERAL FUND BUDGETARY HIGHLIGHTS

- Revenue from property taxes remained strong and higher than budgeted
- There were no uses of surplus

TOWN OF BURLINGTON
Management's Discussion and Analysis
June 30, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town of Burlington, CT's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$18,387,634 (net of accumulated depreciation). This investment in capital assets includes land and buildings, vehicles, machinery and equipment.

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

- Expenditures associated with Jerome Ave project and Town bridge repairs
- Purchase of Public Works, Police Department, Senior Bus and Fire Department Vehicles
- Purchase of 4.14 acres on Library Lane
- Replacement of the Town Hall roof

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 3,916,941	\$ 3,516,941	\$	\$	\$ 3,916,941	\$ 3,516,941
Construction in progress	3,605,987	2,733,493			3,605,987	2,733,493
Buildings and improvements	6,355,506	6,813,777	3,997	4,356	6,359,503	6,818,133
Infrastructure	2,676,412	3,262,084			2,676,412	3,262,084
Land improvements	174,677	221,338	1,860	5,532	176,537	226,870
Machinery, equipment and vehicle	136,544	124,600			136,544	124,600
Vehicles	<u>1,521,567</u>	<u>1,210,053</u>			<u>1,521,567</u>	<u>1,210,053</u>
Total	<u>\$ 18,387,634</u>	<u>\$ 17,882,286</u>	<u>\$ 5,857</u>	<u>\$ 9,888</u>	<u>\$ 18,393,491</u>	<u>\$ 17,892,174</u>

Additional information on the Town of Burlington, CT's capital assets can be found in Notes to Financial Statements C. Capital Assets on pages 34-35 of the town's financial statements.

Long-Term Debt. At the end of the current fiscal year, the Town of Burlington, CT had long-term debt outstanding of \$5,887,995.

	Governmental	
	Activities	
	2021	2020
General obligation bonds	\$ 5,155,000	\$ 5,465,000
Sewer notes	732,995	843,577
	\$ 5,887,995	\$ 6,308,577

The Town of Burlington, CT's total debt decreased by \$420,582 (6.67% percent) during the current fiscal year. Additional information on the Town of Burlington, CT's long-term debt can be found in Notes to Financial Statements E. Long-Term Debt on pages 36-38 of the town's financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The 2021/22 mill rate increased a tenth of a mill. This low mill increase was done in recognition of the impact of the current COVID pandemic on our citizens
- Education budget was slightly increased from FY21 to FY22
- The Town has confirmed a STEAP award of \$95,000 for the rehabilitation/replacement of the Foote Road Bridge
- A 50/50 Local Bridge Program Grant has been awarded for Covey Road Bridge and Main Street Bridge rehabilitation
- \$75,000 LOCIP grant to be used for road surface treatment
- The Town was awarded a grant under the American Rescue Plan Act (ARPA) in the amount of \$2.8 million. The town is expecting to receive the second half of the ARPA funds of \$1.4 million in FY22

All these factors were considered in preparing the Town of Burlington, CT's budget for the 2022 fiscal year.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Burlington, CT's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Board, Town of Burlington, 200 Spielman Highway, Burlington, CT 06013.

**TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	\$ 15,339,886	\$ 111,325	\$ 15,451,211
Investments	856,950	89,518	946,468
Receivables	876,315	1,625	877,940
Internal balances	1,094	(1,094)	-
Pension asset	693,329		693,329
Capital assets, nondepreciable	7,522,928		7,522,928
Capital assets, net of accumulated depreciation	<u>10,864,706</u>	<u>5,857</u>	<u>10,870,563</u>
Total assets	<u>36,155,208</u>	<u>207,231</u>	<u>36,362,439</u>
Deferred Outflows of Resources:			
Deferred outflows related to Pension	188,367		188,367
Deferred outflows related to OPEB	<u>8,873</u>		<u>8,873</u>
Total deferred outflows of resources	<u>197,240</u>	<u>-</u>	<u>197,240</u>
Liabilities:			
Accounts payable and accrued liabilities	749,178	24,490	773,668
Due to fiduciary funds	44,000		44,000
Unearned revenue	1,786,611		1,786,611
Noncurrent liabilities:			
Due within one year	592,970		592,970
Due in more than one year	<u>5,717,723</u>		<u>5,717,723</u>
Total liabilities	<u>8,890,482</u>	<u>24,490</u>	<u>8,914,972</u>
Deferred Inflows of Resources:			
Deferred inflows related to Pension	925,209		925,209
Deferred inflows related to OPEB	<u>66,390</u>		<u>66,390</u>
Total deferred inflows of resources	<u>991,599</u>	<u>-</u>	<u>991,599</u>
Net Position:			
Net investment in capital assets	12,332,863	5,857	12,338,720
Restricted for:			
Grants	209,861		209,861
Pension	693,329		693,329
Housing rehabilitation loan program	41,741		41,741
Other purposes	200,565		200,565
Unrestricted	<u>12,992,008</u>	<u>176,884</u>	<u>13,168,892</u>
Total Net Position	<u>\$ 26,470,367</u>	<u>\$ 182,741</u>	<u>\$ 26,653,108</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) 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	\$ 3,008,432	\$ 1,011,815	\$ 110,316	\$ 4,000	\$ (1,882,301)		\$ (1,882,301)
Public safety	2,213,301	337,839			(1,875,462)		(1,875,462)
Public works	4,324,185			1,271,339	(3,052,846)		(3,052,846)
Recreation	236,949				(236,949)		(236,949)
Library	578,252				(578,252)		(578,252)
Human services	73,200	4,693	79,780		11,273		11,273
Education	27,216,700		3,923,672		(23,293,028)		(23,293,028)
Interest and fiscal charges	217,272				(217,272)		(217,272)
Total governmental activities	<u>37,868,291</u>	<u>1,354,347</u>	<u>4,113,768</u>	<u>1,275,339</u>	<u>(31,124,837)</u>	<u>-</u>	<u>(31,124,837)</u>
Business-type activities:							
Senior housing fund	160,437	249,487				89,050	89,050
Water fund	5,083	4,915				(168)	(168)
Total business-type activities	<u>165,520</u>	<u>254,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,882</u>	<u>88,882</u>
	<u>\$ 38,033,811</u>	<u>\$ 1,608,749</u>	<u>\$ 4,113,768</u>	<u>\$ 1,275,339</u>	<u>(31,124,837)</u>	<u>88,882</u>	<u>(31,035,955)</u>
General revenues:							
Property taxes					32,208,726		32,208,726
Grants and contributions not restricted to specific programs					57,348		57,348
Unrestricted investment earnings					40,472	1,069	41,541
Miscellaneous					224,119		224,119
Transfers					70,000	(70,000)	-
Total general revenues and transfers					<u>32,600,665</u>	<u>(68,931)</u>	<u>32,531,734</u>
Change in net position					1,475,828	19,951	1,495,779
Net Position at Beginning of Year, as Restated					<u>24,994,539</u>	<u>162,790</u>	<u>25,157,329</u>
Net Position at End of Year					<u>\$ 26,470,367</u>	<u>\$ 182,741</u>	<u>\$ 26,653,108</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BURLINGTON, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Bridges & Road Repair Fund</u>	<u>Monce Road FD Building Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 8,584,576	\$ 1,435,984	\$ 852,921	\$ 732,781	\$ 3,733,624	\$ 15,339,886
Investments	856,950					856,950
Receivables						
Grants receivable	7,307					7,307
Accounts receivable	4,691				183,364	188,055
Property taxes and interest receivable	398,059					398,059
Sewer assessment and interest receivable	282,894					282,894
Interfund receivables	38,648		1,074,029		462,165	1,574,842
Total Assets	<u>\$ 10,173,125</u>	<u>\$ 1,435,984</u>	<u>\$ 1,926,950</u>	<u>\$ 732,781</u>	<u>\$ 4,379,153</u>	<u>\$ 18,647,993</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 660,346		\$ 7,000		\$ 6,543	\$ 673,889
Due to State of CT	4,408					4,408
Unearned revenues	350,365	1,435,984			262	1,786,611
Interfund Payables	847,353			732,841	37,554	1,617,748
Total liabilities	<u>1,862,472</u>	<u>1,435,984</u>	<u>7,000</u>	<u>732,841</u>	<u>44,359</u>	<u>4,082,656</u>
Deferred inflows of resources:						
Unavailable revenues - property taxes	295,165					295,165
Unavailable revenues - sewer assessments	203,962					203,962
Unavailable revenues - loans					183,364	183,364
Total deferred inflows of resources	<u>499,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,364.00</u>	<u>682,491</u>
Fund balances:						
Nonspendable						
Restricted					268,803	268,803
Committed	477,786		1,919,950		3,882,627	6,280,363
Assigned to:						
Subsequent Year's Budget	317,136					317,136
Other Purposes	810,540					810,540
Unassigned	6,206,064			(60)		6,206,004
Total fund balances	<u>7,811,526</u>	<u>-</u>	<u>1,919,950</u>	<u>(60)</u>	<u>4,151,430</u>	<u>13,882,846</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,173,125</u>	<u>\$ 1,435,984</u>	<u>\$ 1,926,950</u>	<u>\$ 732,781</u>	<u>\$ 4,379,153</u>	<u>\$ 18,647,993</u>

(Continued on next page)

TOWN OF BURLINGTON, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net
position (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$ 13,882,846
--	---------------

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

Governmental capital assets	\$ 53,192,733	
Less accumulated depreciation	<u>(34,805,099)</u>	
Net capital assets		18,387,634

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

Property tax receivables greater than 60 days	295,165
Sewer Assessments greater than 60 days	203,962
Small cities loans receivable greater than 60 days	183,364
Net pension asset	693,329
Deferred outflows related to Pension	188,367
Deferred outflows related to OPEB	8,873
Net pension asset	

Long-term liabilities and deferred inflows of resources are not due and payable
in the current period and, therefore, are not reported in the funds:

Bonds payable	(5,155,000)
Unamortized premium on bonds payable	(115,719)
Sewer notes	(732,995)
Interest payable on bonds	(70,881)
Total OPEB liability	(112,454)
Compensated absences	(194,525)
Deferred inflows related to Pension	(925,209)
Deferred inflows related to OPEB	<u>(66,390)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 26,470,367</u>
---	----------------------

The accompanying notes are an integral part of the financial statements

TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	American Rescue Plan Act Fund	Bridges & Road Repair Fund	Monce Road FD Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 32,359,863	\$	\$	\$	\$	\$ 32,359,863
Intergovernmental revenues	5,442,455				4,000	5,446,455
Charges for services	1,406,427				164,822	1,571,249
Investment income	32,070		1,535	1,204	5,663	40,472
Contributions and Miscellaneous	35,451				184,473	219,924
Total revenues	<u>39,276,266</u>	<u>-</u>	<u>1,535</u>	<u>1,204</u>	<u>358,958</u>	<u>39,637,963</u>
Expenditures:						
Current:						
General government	2,657,917				160,958	2,818,875
Public safety	1,584,918				80,043	1,664,961
Highway	3,232,309					3,232,309
Sanitation	1,219,314					1,219,314
Health and Welfare	64,066				9,134	73,200
Library	401,526					401,526
Recreation	236,949					236,949
Education	27,216,700					27,216,700
Debt service:						
Principal payments	420,582					420,582
Interest and fiscal charges	175,162					175,162
Capital outlay	359,962		123,196		869,257	1,352,415
Total expenditures	<u>37,569,405</u>	<u>-</u>	<u>123,196</u>	<u>-</u>	<u>1,119,392</u>	<u>38,811,993</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,706,861</u>	<u>-</u>	<u>(121,661)</u>	<u>1,204</u>	<u>(760,434)</u>	<u>825,970</u>
Other Financing Sources (Uses):						
Sale of asset					15,000	15,000
Transfers In	70,000		1,074,029		554,596	1,698,625
Transfers Out	(895,784)			(732,841)		(1,628,625)
Total other financing sources (uses)	<u>(825,784)</u>	<u>-</u>	<u>1,074,029</u>	<u>(732,841)</u>	<u>569,596</u>	<u>85,000</u>
Net Change in Fund Balances	881,077	-	952,368	(731,637)	(190,838)	910,970
Fund Balances at Beginning of Year, as restated	<u>6,930,449</u>	<u>-</u>	<u>967,582</u>	<u>731,577</u>	<u>4,342,268</u>	<u>12,971,876</u>
Fund Balances at End of Year	<u>\$ 7,811,526</u>	<u>\$ -</u>	<u>\$ 1,919,950</u>	<u>\$ (60)</u>	<u>\$ 4,151,430</u>	<u>\$ 13,882,846</u>

(Continued on next page)

**TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 910,970
---	------------

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

Capital outlay	2,210,341
Depreciation expense	(1,704,993)

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

Property taxes collected after 60 days	(151,137)
Sewer collected after 60 days	(216,902)
Small cities loans collected after 60 days	(10,805)
Deferred outflows related to Pension	(58,206)
Deferred outflows related to OPEB	8,873

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on bonds payable	310,000
Principal payments on sewer notes	110,582

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of premium	28,771
Accrued interest	(70,881)
Change in total OPEB liability	(11,275)
Change in long-term compensated absences	(111,811)
Change in net pension liability	1,142,950
Change in Deferred inflows related to Pension	(925,209)
Change in Deferred inflows related to OPEB	14,560

Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 1,475,828</u>
--	---------------------

The accompanying notes are an integral part of the financial statements

TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021

	Business-type Activities Enterprise Funds Non Major Funds
	<u> </u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 111,325
Investments	89,518
Receivables	1,625
Total current assets	<u>202,468</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>5,857</u>
Total noncurrent assets	<u>5,857</u>
Total assets	<u>208,325</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	24,490
Due to other funds	1,094
Total current liabilities	<u>25,584</u>
Net Position:	
Net investment in capital assets	5,857
Unrestricted	<u>176,884</u>
Total Net Position	<u>\$ 182,741</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities
	<u>Enterprise Funds</u>
	<u>Non Major Funds</u>
Operating Revenues:	
Rent	\$ 245,835
Service revenue	3,652
Water charges for services	4,915
Total operating revenues	<u>254,402</u>
Operating Expenses:	
Water purchased	5,083
Salaries and benefits	34,576
Contractual and purchased services	11,555
Utilities	60,033
Repairs and maintenance	34,777
Materials and supplies	1,582
Administration	13,883
Depreciation	4,031
Total operating expenses	<u>165,520</u>
Operating Income (Loss)	<u>88,882</u>
Nonoperating revenues (expenses):	
Income on investments	<u>1,069</u>
Income (Loss) Before Transfers	89,951
Transfers Out	<u>(70,000)</u>
Change in Net Position	19,951
Net Position at Beginning of Year	<u>162,790</u>
Net Position at End of Year	<u>\$ 182,741</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-type Activities
	Enterprise Funds
	Non Major Funds
Cash Flows from Operating Activities:	
Receipts from customers and users	\$ 259,425
Payments to suppliers	(128,054)
Payments to employees	(34,576)
Payments for interfund services used	1,094
Net cash provided by (used in) operating activities	<u>97,889</u>
Cash Flows from Noncapital Financing Activities:	
Transfers out to other funds	<u>(70,000)</u>
Net cash provided by (used in) noncapital financing activities	<u>(70,000)</u>
Cash Flows from Capital and Related Financing Activities:	
(Purchase) sale of investments	<u>(1,107)</u>
Net cash provided by (used in) capital and related financing activities	<u>(1,107)</u>
Cash Flows from Investing Activities:	
Interest on investments	<u>1,069</u>
Net cash provided by (used in) investing activities	<u>1,069</u>
Net Increase (Decrease) in Cash and Cash Equivalents	27,851
Cash and Cash Equivalents at Beginning of Year	<u>83,474</u>
Cash and Cash Equivalents at End of Year	<u>\$ 111,325</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ <u>88,882</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	4,031
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	5,023
Increase (decrease) in due to other funds accrued items	1,094
Total adjustments	<u>(1,141)</u>
Total adjustments	<u>9,007</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 97,889</u>

The accompanying notes are an integral part of the financial statements

TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2021

	<u>Pension Trust Fund</u>	<u>Private Purpose Trust Fund Collins Trust Fund</u>	<u>Custodial Fund 5K Run Walk Fund</u>
Assets:			
Cash and cash equivalents	\$ 159,447	\$ 18,157	\$ 606
Participant Loans	49,529		
Investments	5,257,537		
Due from other funds	44,000		
Other assets	<u>6,403</u>		
Total assets	<u>5,516,916</u>	<u>18,157</u>	<u>606</u>
Net Position:			
Restricted for Pension Benefits and Trust Purposes	\$ <u><u>5,516,916</u></u>	\$ <u><u>18,157</u></u>	\$ <u><u>606</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF BURLINGTON, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Pension Trust Fund</u>	<u>Private Purpose Trust Fund Collins Trust Fund</u>	<u>Custodial Fund 5K Run Walk Fund</u>
Additions:			
Contributions:			
Employer	\$ 292,515	\$	\$
Plan members	94,083		
Other		12,465	
Total contributions	<u>386,598</u>	<u>12,465</u>	<u>-</u>
Investment earnings:			
Net change in fair value of investments	1,097,889		
Interest and dividends	96,170		
Total investment earnings	<u>1,194,059</u>	<u>-</u>	<u>-</u>
Total additions	<u>1,580,657</u>	<u>12,465</u>	<u>-</u>
Deductions:			
Pension Distributions and Expenses	270,558		
Public Assistance		3,780	
Total deductions	<u>270,558</u>	<u>3,780</u>	<u>-</u>
Change in Net Position	1,310,099	8,685	-
Net Position at Beginning of Year, as restated	<u>4,206,817</u>	<u>9,472</u>	<u>606</u>
Net Position at End of Year	<u>\$ 5,516,916</u>	<u>\$ 18,157</u>	<u>\$ 606</u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Burlington, Connecticut (the Town) was incorporated in 1806. It operates under an elected, five-member Board of Selectmen and an elected, seven-member Board of Finance form of government and provides the following services: general government, public safety, public works, public health and welfare, culture, recreation, library, and water and sewer utilities. Educational services are provided by Regional School District Number 10 (the District), of which the towns of Burlington and Harwinton are members. Town appropriations to the school district are determined by a separate taxpayer approved budget and percentage of Burlington residents attending the District's schools.

The legislative power of the Town is vested in the Town Meeting. The First Selectman is the chief executive officer and budget making authority of the Town. The Board of Finance is responsible for revising the proposed budget and submitting the final budget to the Town Meeting. The Board of Finance is also responsible for establishing the annual tax rate. The Town has the power to incur indebtedness by issuing bonds or notes as provided by the Connecticut General Statutes.

Board of Selectmen may enact, amend or repeal ordinances and resolutions. The Board of Finance is responsible for financial and taxation matters as prescribed by Connecticut General Statutes, including presenting fiscal operating budgets for Town Meeting approval.

Accounting principles generally accepted in the United State of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) plan to provide retirement benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension plans and is required to make contributions to the pension plan and impose its will.

The financial statements of the fiduciary component unit is reported as a Pension Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component unit.

B. Basis of Presentation

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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 Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

The Town reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The American Rescue Plan Act Fund is a fund that accounts for the American Rescue Plan Act of 2021 grant.
- The Bridges and Road Repair Fund accounts for the Town portion of bridge and road repairs.
- The Monce Road Fire Department Building Fund accounts for increased bond servicing costs associated with the overlap of a final payment of an old bond and new bond issuance.

Additionally, the Town reports the following fund types:

- The Enterprise Funds are used to account for activities of the Senior Housing Fund which accounts for rent revenue and expenses for the Evergreens Senior Housing and the Water Fund which accounts for water sales and expenses.
- The *Pension Trust Fund* is used to account for resources held in trust for participants in the Town's pension plan.
- The *Private Purpose Trust Fund* is used to account for the Collins Trust which benefits inhabitants of the Town of Burlington who are in need of support or of care in illness.
- The *Custodial Fund* is used to account for activities of the 5k Run Walk Fund.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

C. Cash and Cash Equivalents

The Town's cash and cash equivalents consist of all cash on hand, checking, savings, money market accounts and certificates of deposit with an original maturity of 90 days or less.

D. Investments

Investments are stated at fair value.

E. 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 noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

The Town's pension plan provides participant loans in accordance with the parameters of the plan. Loans made by the Town under the program bear an interest rate based on commercial loan rates. These loans become due and payable through biweekly payroll deduction according to an amortization schedule provided by the pension actuary. The Plan records loans receivable at the time the loan proceeds are advanced, and such amounts are reported net of an allowance for uncollectible amounts.

F. Capital Assets

Capital assets, which include, land, construction in progress, buildings and improvements, machinery and equipment, vehicles, land improvements, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For governmental activities, capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 and an estimated useful life of two years. For business-type activities, capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**TOWN OF BURLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

Property, equipment and infrastructure of the Town is depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Infrastructure	20
Building and improvements	20-40
Land improvements	20
Machinery and equipment	3-20
Vehicles	5

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs, and difference between projected and actual earnings on investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources for pension and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience and changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and sewer charges. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

H. Compensated Absences

Employees accrue vacation and sick leave based upon length of employment. Under certain union contracts, the Town employees' unused vacation can be carried over to the next year within certain limits and be paid upon death, retirement, or termination. Compensated absences are accrued when incurred in the government-wide, proprietary or fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Net Pension Liability (Asset)

The net pension liability (asset) is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability (asset) is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

J. Total Other Postemployment Benefits Other than Pensions (OPEB) Liability

The total OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year and no later than the end of the current fiscal year, consistently applied from period to period.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund 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 position. Bond premiums and discounts, as well as issuance costs, 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, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

L. Equity

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted

This component of net position consists of amounts that do not meet the definition of "restricted" or "net investment in capital assets."

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of Burlington Board of Finance). Amounts remain committed until action is taken by the Board of Finance (resolution) to remove or revise the limitations.

Assigned Fund Balance

This includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance that has been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

The Town has a policy to maintain a minimum combined balance of the assigned and unassigned fund balances of 12% of the following fiscal year’s budgeted expenditures as of June 30th of each fiscal year.

M. Property Taxes

Property taxes are assessed as of October 1 and are levied and billed 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. Interest at the rate of 1.5% per month accrues on all overdue taxes. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of appraised market value. A lien is placed on the property if real estate taxes are unpaid as of May 15 following the payable date. The Town establishes an allowance for doubtful accounts based on historical collections, experience and other factors.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year end. Property taxes receivable not expected to be collected during the available period are reflected as a deferred inflow in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent years’ assessment are reflected as a deferred inflow in both the fund financial statements and the government-wide financial statements.

N. Sewer User Charges and Assessments

Upon completion of sewer projects, sewer assessments are levied and assessed to the users. User charges and assessments are due and payable as of May 1 following the levy, but may be paid in installments with interest over the life of the related bond issuance. The Town establishes an allowance for doubtful accounts based on historical collections, experience and other factors. All properties are lien-ed until the assessment is paid in full.

O. Accounting Estimates

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

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is January 10, 2022.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The annual budget is prepared by the Board of Finance and employed for management control of the General Fund.

The budget is adopted via Town Meeting. The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements:

- A proposed operating budget is submitted for the fiscal year commencing July 1 to a public budget hearing, at which taxpayer comments are obtained. The Board of Finance then prepares the recommended Town budget, which it presents at the annual Town Meeting held on the first Tuesday in June. The operating budget includes proposed expenditures and the means of financing them.
- Expenditures are budgeted by function, department and object. Management may not exceed appropriations at the department level and must seek approval from the Board of Finance to reassign resources within a department.
- The legal level of budgetary control (the level at which expenditures may not exceed appropriations) is the department level. The Board of Finance is authorized to transfer budgeted amounts within and between departments and objects.
- Any additional appropriations exceeding 0.1% of the annual budget shall become effective only after approval by the Board of Finance and passage at a Town Meeting. Exceptions to that rule are transfers from the contingency expenditure line item and the Municipal Reserve Fund may be made by the Board of Finance upon the recommendation from the Town Treasurer.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

- During the year, there were no additional appropriations.
- Formal budgetary integration is employed as a management control device during the year.
- Encumbrances are not utilized.
- All unexpended appropriations lapse at year end, except capital projects.

B. Deficit Fund Equity

For the year ended June 30, 2021, the following funds had deficit balances:

Monce Road FD Building Fund	\$	60
-----------------------------	----	----

These amounts will be funded through bonds, contributions and future revenues.

3. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by the Statutes or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an “out of state bank” as defined by the Statutes, which is not a “qualified public depository.”

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies; 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. 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 do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). This investment pool is under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Deposits

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$14,923,022 of the Town’s bank balance of \$16,529,972 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 13,367,307
Uninsured and collateral held by the pledging bank’s trust department, not in the Town’s name	<u>1,555,715</u>
Total Amount Subject to Custodial Risk	<u>\$ 14,923,022</u>

Investments

As of June 30, 2021, the Town had the following investments:

<u>Investment Type</u>	<u>Value</u>	<u>Investment Maturities (Years)</u>		
		<u>Less Than 1</u>	<u>1 - 10</u>	<u>More than 10</u>
Interest-bearing investments:				
Certificates of Deposit	\$ 946,468	\$ 252,044	\$ 694,424	\$
Municipal Bonds	327,666		173,605	154,061
Corporate Bonds	<u>590,624</u>		<u>590,624</u>	
Total	1,864,758	<u>\$ 252,044</u>	<u>\$ 1,458,653</u>	<u>\$ 154,061</u>
Other investments:				
Mutual Funds	\$ 373,481			
Common Stock	<u>3,965,766</u>			
Total Investments	<u>\$ 6,204,005</u>			

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Credit Risk

The Town has no investment policy that would limit its investment choices due to credit risk other than State statutes governing investments in obligations of any state or political subdivision or in obligations of the State of Connecticut or political subdivision.

<u>Average Rating</u>	<u>Corporate Bonds</u>	<u>Government Bonds</u>
Aa1	\$ 54,748	\$
Aa2	109,155	
A1	105,650	
A2		56,541
A3	54,089	66,823
AA+		55,018
AA		99,042
A-		50,242
Baa1	79,576	
Baa2	<u>187,406</u>	
	<u>\$ 590,624</u>	<u>\$ 327,666</u>

Concentration of Credit Risk

The Town places no limit on the amount invested in any one issuer.

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.

The Pension Trust Fund is also authorized to invest in equities and bonds. The investments of this fund are held in trust by a trustee bank, which executes investment transactions under the direction of the pension plan's investment manager.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements).

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The Town has the following recurring fair value measurements as of June 30, 2021:

	June 30, 2021	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
Municipal Bonds	\$ 327,666	\$ 327,666	\$	\$
Corporate Bonds	590,624		590,624	
Mutual Funds	373,481	373,481		
Common Stock	3,965,766	3,965,766		
Total Investments by Fair Value Level	<u>5,257,537</u>	<u>\$ 4,666,913</u>	<u>\$ 590,624</u>	<u>\$ -</u>
Not included above:				
Certificates of Deposit	<u>946,468</u>			
Total Investments	<u>\$ 6,204,005</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

B. Receivables

Receivables by type at year end for the Town's government-wide financial statements, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Senior Housing Fund	Water Fund	Nonmajor and Other Funds	Total
Property taxes receivable	\$ 293,065	\$	\$	\$	\$ 293,065
Interest on property taxes	117,994				117,994
Assessments	261,031				261,031
Interest on assessments	21,863				21,863
Grants and contracts	7,307			183,364	190,671
Loans				49,529	49,529
Other	4,691	282	1,343	6,403	12,719
Less allowance for uncollectible accounts	<u>(13,000)</u>				<u>(13,000)</u>
Net Accounts Receivable	<u>\$ 692,951</u>	<u>\$ 282</u>	<u>\$ 1,343</u>	<u>\$ 239,296</u>	<u>\$ 933,872</u>

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

C. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,516,941	\$ 400,000	\$ -	\$ 3,916,941
Construction in progress	2,733,493	1,213,747	341,253	3,605,987
Total capital assets not being depreciated	<u>6,250,434</u>	<u>1,613,747</u>	<u>341,253</u>	<u>7,522,928</u>
Capital assets being depreciated:				
Buildings and improvements	13,285,546	74,216	-	13,359,762
Infrastructure	25,595,276	-	-	25,595,276
Land improvements	1,028,323	-	-	1,028,323
Machinery and equipment	1,006,390	65,756	-	1,072,146
Vehicles	4,016,666	797,875	200,243	4,614,298
Total capital assets being depreciated	<u>44,932,201</u>	<u>937,847</u>	<u>200,243</u>	<u>45,669,805</u>
Less accumulated depreciation for:				
Buildings and improvements	6,471,769	532,487	-	7,004,256
Infrastructure	22,333,192	585,672	-	22,918,864
Land improvements	806,985	46,661	-	853,646
Machinery and equipment	881,790	53,812	-	935,602
Vehicles	2,806,613	486,361	200,243	3,092,731
Total accumulated depreciation	<u>33,300,349</u>	<u>1,704,993</u>	<u>200,243</u>	<u>34,805,099</u>
Total capital assets being depreciated, net	<u>11,631,852</u>	<u>(767,146)</u>	<u>-</u>	<u>10,864,706</u>
Governmental Activities Capital Assets, Net	<u>\$ 17,882,286</u>	<u>\$ 846,601</u>	<u>\$ 341,253</u>	<u>\$ 18,387,634</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets being depreciated:				
Buildings and improvements	\$ 7,162	\$ -	\$ -	\$ 7,162
Machinery, equipment and vehicles	50,495	-	-	50,495
Total capital assets being depreciated	<u>57,657</u>	<u>-</u>	<u>-</u>	<u>57,657</u>
Less accumulated depreciation for:				
Buildings and improvements	2,806	359	-	3,165
Machinery, equipment and vehicles	44,963	3,672	-	48,635
Total accumulated depreciation	<u>47,769</u>	<u>4,031</u>	<u>-</u>	<u>51,800</u>
Total capital assets being depreciated, net	<u>9,888</u>	<u>(4,031)</u>	<u>-</u>	<u>5,857</u>
Business-type Activities Capital Assets, Net	<u>\$ 9,888</u>	<u>\$ (4,031)</u>	<u>\$ -</u>	<u>\$ 5,857</u>

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Depreciation expense was charged to functions/programs of the government as follows:

Governmental activities:	
General government	\$ 205,262
Public safety	403,618
Public works	724,757
Library	161,744
Recreation	62,638
Sanitation	<u>146,974</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u><u>1,704,993</u></u>
 Business-type activities:	
Senior Housing	\$ <u>4,031</u>
 Total Depreciation Expense - Business-Type Activities	 \$ <u><u>4,031</u></u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2021 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Sewer Authority	\$ 1,094
	Nonmajor Governmental Funds	<u>37,554</u>
		38,648
Bridges and Road Repair Fund	Monce Road FD Building Fund	732,841
	General Fund	<u>341,188</u>
		1,074,029
Nonmajor Funds	General Fund	<u>462,165</u>
Pension Trust Fund	General Fund	<u>44,000</u>
Total		\$ <u><u>1,618,842</u></u>

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

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The transfers that occurred during the year are as follows:

	<u>General Fund</u>	<u>Transfers In Bridges and Road Repair Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
Transfers out:				
General Fund	\$	\$ 341,188	\$ 554,596	\$ 895,784
Monce Road FD Fund		732,841		732,841
Nonmajor Enterprise Funds	<u>70,000</u>			<u>70,000</u>
Total Transfers In	<u>\$ 70,000</u>	<u>\$ 1,074,029</u>	<u>\$ 554,596</u>	<u>\$ 1,698,625</u>

Transfers are used to move funds from the General Fund to the other funds in accordance with budget authorizations. Transfers from the nonmajor Enterprise Funds to the General Fund was for payments on long term debt.

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 5,465,000	\$	\$ 310,000	\$ 5,155,000	\$ 310,000
Unamortized premium	<u>144,490</u>		<u>28,771</u>	<u>115,719</u>	
Total bonds payable	5,609,490	-	338,771	5,270,719	310,000
State of CT sewer notes	843,577		110,582	732,995	112,814
Compensated absences	82,714	111,811		194,525	169,236
Net pension liability	449,620		449,620	-	
Total OPEB liability	<u>101,179</u>	<u>11,275</u>		<u>112,454</u>	<u>920</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 7,086,580</u>	<u>\$ 123,086</u>	<u>\$ 898,973</u>	<u>\$ 6,310,693</u>	<u>\$ 592,970</u>

For the governmental activities, compensated absences, net pension liability and total OPEB liability are generally liquidated by the General Fund. The Senior Housing Fund reimburses the General Fund for a portion of the general obligation debt service payments.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2021</u>
Governmental Activities					
General obligation	2017	7/15/37	3.00%	\$ 6,085,000	\$ 5,155,000
Direct placement:					
State of CT sewer notes	2008	8/17/27	2.00%	2,102,440	732,995
Total governmental activities					<u>5,887,995</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

	Governmental Activities			
	General Obligation Bonds		State of CT Sewer Notes	
	Principal	Interest	Principal	Interest
2022	\$ 310,000	\$ 150,000	\$ 112,814	\$ 13,624
2023	310,000	140,700	115,092	11,351
2024	305,000	131,475	117,414	9,028
2025	305,000	122,325	119,784	6,658
2026	305,000	113,175	122,202	4,241
2027-2031	1,525,000	428,625	145,689	1,828
2032-2036	1,505,000	200,475		
2037-2038	590,000	17,700		
	<u>\$ 5,155,000</u>	<u>\$ 1,304,475</u>	<u>\$ 732,995</u>	<u>\$ 46,730</u>

The Town is subject to the General Statutes of Connecticut, which limits the amount of debt outstanding at June 30, 2021 to the following:

Total debt outstanding may not exceed seven times annual receipts from taxation of \$222,344,094.

Overlapping Debt

The Town is a member of Regional School District No. 10 (the District), which provides education facilities for grades kindergarten through 12 for the Towns of Burlington and Harwinton. As of June 30, 2021, the outstanding bonded indebtedness of the District was \$10,260,000. The Town's share will be approximately 66.28% of the balance, or \$6,800,328. This debt is a general obligation of the District and its member towns.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Authorized but Unissued Bonds

The Town did not have any authorized but unissued bonds at June 30, 2021.

Fund Balance

The components of fund balance for the governmental funds at June 30, 2021 are as follows:

	<u>General Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Bridges & Road Repair Fund</u>	<u>Monce Road FD Building Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Restricted for:						
Historic preservation	\$	\$	\$	\$	\$ 16,830	\$ 16,830
Substance abuse prevention					9,667	9,667
Small Cities					41,741	41,741
Emergency management					1,238	1,238
Food and fuel assistance					54,122	54,122
Dog fund					6,135	6,135
Recreation					102,839	102,839
Tavern Day					10,753	10,753
Project Graduation					2,678	2,678
Special purposes - senior					22,800	22,800
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,803</u>	<u>268,803</u>
Committed to:						
Johnnycake recreation					894,070	894,070
Highway equipment					829,355	829,355
Sewer maintenance					802,134	802,134
Land purchase reserve					75,705	75,705
Town Center					6,895	6,895
Revaluation reserve	173,400					173,400
Barrel Fund					108,911	108,911
Farmland preservation					81,667	81,667
Police capital reserve					331,349	331,349
Bridges and road repair			1,919,950			1,919,950
BVFD equipment reserve					588,495	588,495
Town Hall renovation					117,528	117,528
IT reserve					46,518	46,518
Cheer	700					700
Snow removal	214,092					214,092
Retention pond maintenance	89,594					89,594
	<u>477,786</u>	<u>-</u>	<u>1,919,950</u>	<u>-</u>	<u>3,882,627</u>	<u>6,280,363</u>
Assigned to:						
Subsequent year's budget	317,136					317,136
Municipal reserve	810,540					810,540
	<u>1,127,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,127,676</u>
Unassigned	<u>6,206,064</u>	<u>-</u>	<u>-</u>	<u>(60)</u>	<u>-</u>	<u>6,206,004</u>
Total Fund Balances	<u>\$ 7,811,526</u>	<u>\$ -</u>	<u>\$ 1,919,950</u>	<u>\$ (60)</u>	<u>\$ 4,151,430</u>	<u>\$ 13,882,846</u>

**TOWN OF BURLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

4. EMPLOYEE RETIREMENT PLANS

A. Town of Burlington Employees’ Pension Plan

The Town of Burlington Employees’ Pension Plan is a single-employer defined benefit plan that is administered by the Town of Burlington. Benefits are established and may be amended by the Plan Trustees, which consist of the First Selectman and the Treasurer. The Plan is a contributory defined benefit plan known as a “Prototype Split Funded Defined Benefit Pension Plan.”

Plan Description and Benefits Provided

The Plan provides retirement, disability and death benefits for all eligible full-time employees of the Town and is included as a fiduciary fund of the Town. Town Hall and Library full-time employees are eligible to participate on the anniversary date nearest the completion of one year of service and upon attaining age 21. Highway department full-time employees hired on or before July 1, 2014 are eligible to participate on the anniversary date nearest the completion of one year of service and upon attaining age 21. The plan provides a monthly benefit equal to the greater of 2% of compensation times all years of service (not to exceed 40 years), or not less than the individual participant’s benefit as provided on July 1, 1984. The basis of the benefit is life annuity. Benefits are established and may be amended by the Trustees. In most cases, upon retirement by the eligible employee, the pension fund purchases an annuity from an insurance company, which is then responsible for benefit payments to the retiree and the retiree is no longer part of the Town’s pension plan.

The membership of the plan consisted of the following at July 1, 2021:

Inactive plan members or beneficiaries currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	<u>16</u>
Total	<u><u>24</u></u>

Contributions

Contribution requirements and benefit provisions were established and may be amended by the Trustees

Member

Highway department employees are required to contribute 5% of compensation as their share of the total contribution. Town Hall and Library employees hired on or before July 1, 2014 are required to contribute 5.5% of compensation as their share of the total contribution. Town Hall and Library employees hired after July 1, 2014 are required to contribute 6.5% of compensation as their share of the total contribution. The Town established contribution rates based on an actuarially determined rate recommended by and 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.

Employer

The Town is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the plan. Plan administration costs are budgeted from the Town’s General Fund.

Method Used to Value Investments

All assets are valued at fair value. All investments are invested in municipal bonds, corporate bonds, common stock and equity mutual funds. Investment income is recognized as earned.

Investments

Investment Policy

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Trustees. It is the policy of the Trustees to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension 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 Trustee’s adopted asset allocation policy as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	70	6.50%
Bonds	<u>30 %</u>	2.00%
Total	<u><u>100 %</u></u>	

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 28.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Net Pension Liability (Asset) of the Town

The components of the net pension liability (asset) of the Town at June 30, 2021 were as follows:

Total pension liability	\$ 3,519,224
Plan fiduciary net position	<u>4,066,679</u>
Net pension liability (asset)	<u>\$ (547,455)</u>
Plan fiduciary net position as a percentage of the total Pension liability	115.56%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	None (included in investment return)
Salary increases	4.0 Percent, average, including inflation
Investment rate of return	7.0% pre-retirement; 6.0% post-retirement

Mortality rates were based on the RP-2008 Mortality Table. An experience study has not been performed.

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. 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, 2021 (see the discussion of the pension plan's investment policy) are as follows: Equities 6.5% and Fixed Income 2%.

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for June 30, 2021. 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 the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Net Pension Liability (Asset) of the Town

	Employees' Pension Plan		
		Increase (Decrease)	
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances as of July 1, 2020	\$ 3,548,520	\$ 3,122,273	\$ 426,247
Changes for the year:			
Service cost	136,645		136,645
Interest on total pension liability	240,392		240,392
Difference between expected and actual experience	(195,241)		(195,241)
Employer contributions		206,123	(206,123)
Member contributions		66,583	(66,583)
Net investment income		882,792	(882,792)
Benefit payments, including refund to employee contributions	(211,092)	(211,092)	-
Net changes	(29,296)	944,406	(973,702)
Balances as of June 30, 2021	\$ 3,519,224	\$ 4,066,679	\$ (547,455)

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 current discount rate, 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 or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employees Net Pension Liability (Asset)	\$ (317,132)	\$ (547,455)	\$ (751,248)

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

For the year ended June 30, 2021, the Town recognized pension expense of \$183,243. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 53,103	\$
Net difference between projected and actual earning on pension plan investments	<u> </u>	<u>683,635</u>
Total	<u>\$ 53,103</u>	<u>\$ 683,635</u>

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

Year Ending June 30

2022	\$ (131,417)
2023	(131,417)
2024	(131,417)
2025	(131,417)
2026	(131,417)
Thereafter	<u>26,553</u>
	<u>\$ (630,532)</u>

B. Town of Burlington Constable Pension Plan

The Town of Burlington Constable Pension Plan is a single-employer defined benefit plan that is administered by the Town of Burlington. Benefits are established and may be amended by the Plan Trustees, which consist of the First Selectman and the Treasurer. The Plan is a contributory defined benefit plan known as a “Prototype Split Funded Defined Benefit Pension Plan.”

**TOWN OF BURLINGTON, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

Plan Description and Benefits Provided

The Plan provides retirement, disability and death benefits for all eligible full-time constables of the Town and is included as a fiduciary fund of the Town. All full-time constables are eligible to participate on the plan anniversary date nearest the completion of two years of service and upon attaining age 21. The plan provides a monthly benefit equal to the greater of 1.9% of compensation times all years of service (not to exceed 40 years), or not less than the individual participant’s benefit as provided on July 1, 1984. The basis of the benefit is Ten Years Certain and life annuity. Benefits are established and may be amended by the Trustees. In most cases, upon retirement by the eligible employee, the plan purchases an annuity from an insurance company, which is then responsible for benefit payments to the retiree and the retiree is no longer part of the Town’s pension plan.

The membership of the plan consisted of the following at July 1, 2021:

Inactive plan members or beneficiaries currently receiving benefits	1
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	<u>6</u>
Total	<u><u>7</u></u>

Contributions

Contribution requirements and benefit provisions were established and may be amended by the Trustees

Member

Constables are required to contribute 6% of compensation as their share of the total contribution. The Town established contribution rates based on an actuarially determined rate recommended by and 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.

Employer

The Town is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the plan. Plan administration costs are budgeted from the Town’s General Fund.

Method Used to Value Investments

All assets are valued at fair value. All investments are invested in government bonds, corporate bonds common stock, and equity mutual funds. Investment income is recognized as earned.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Trustees. It is the policy of the Trustees to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension 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 Trustee's adopted asset allocation policy as of June 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	70	6.50%
Bonds	<u>30 %</u>	2.00%
Total	<u><u>100 %</u></u>	

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 28.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2021 were as follows:

Total pension liability	\$ 1,304,363
Plan fiduciary net position	<u>1,450,237</u>
Net pension liability (asset)	<u><u>\$ (145,874)</u></u>
Plan fiduciary net position as a percentage of the total Pension liability	111.18%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	None (included in investment return)
Salary increases	4.0 Percent, average, including inflation
Investment rate of return	7.0% pre-retirement; 6.0% post-retirement

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Mortality rates were based on the RP-2008 Mortality Table. An experience study has not been performed.

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. 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, 2021 (see the discussion of the pension plan's investment policy) are as follows: Equities 6.5% and Fixed Income 2%.

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for June 30, 2021. 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 the 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.

Net Pension Liability (Asset) of the Town

	Constables Pension Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a)-(b)
Balances as of July 1, 2020	\$ 1,107,918	\$ 1,084,544	\$ 23,374
Changes for the year:			
Service cost	84,027		84,027
Interest on total pension liability	75,300		75,300
Difference between expected and actual experience	96,584		96,584
Employer contributions		86,392	(86,392)
Member contributions		27,500	(27,500)
Net investment income		311,267	(311,267)
Benefit payments, including refund to employee contributions	(59,466)	(59,466)	-
Net changes	196,445	365,693	(169,248)
Balances as of June 30, 2021	\$ 1,304,363	\$ 1,450,237	\$ (145,874)

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 current discount rate, 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 or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Constables Net Pension Liability (Asset)	\$ (126,903)	\$ (145,874)	\$ (163,819)

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

For the year ended June 30, 2021, the Town recognized pension expense of \$66,846. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 135,264	\$
Net difference between projected and actual earning on pension plan investments	<u> </u>	<u>241,574</u>
Total	<u>\$ 135,264</u>	<u>\$ 241,574</u>

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

Year Ending June 30

2022	\$ (14,499)
2023	(14,499)
2024	(14,499)
2025	(14,499)
2026	(14,499)
Thereafter	<u>(33,815)</u>
	<u>\$ (106,310)</u>

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

C. Combining Statements

The Town combining Statement of Net Position and the Combining Statement of Revenues, Expenses and Changes in Net Position for the Town of Burlington Employees' Pension and Plan and the Town of Burlington Constable Pension Plan are as follows:

Combining Statement of Net Position

	<u>Town Plan</u>	<u>Constable Plan</u>	<u>Total Pension Trust Fund</u>
Assets:			
Cash and cash equivalents	\$ 133,002	\$ 26,445	\$ 159,447
Participant Loans	49,529		49,529
Investments	3,843,602	1,413,935	5,257,537
Due from other funds	36,000	8,000	44,000
Other assets	<u>4,546</u>	<u>1,857</u>	<u>6,403</u>
Total assets	<u>4,066,679</u>	<u>1,450,237</u>	<u>5,516,916</u>
Net Position:			
Restricted for Pension Benefits and Trust Purposes	<u>\$ 4,066,679</u>	<u>\$ 1,450,237</u>	<u>\$ 5,516,916</u>

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Combining Statement of Revenues, Expenses and Changes in Net Position

	<u>Town Plan</u>	<u>Constable Plan</u>	<u>Total Pension Trust Fund</u>
Additions:			
Contributions:			
Employer	\$ 206,123	\$ 86,392	\$ 292,515
Plan members	66,583	27,500	94,083
Total contributions	<u>272,706</u>	<u>113,892</u>	<u>386,598</u>
Investment earnings:			
Net change in fair value of investments	811,692	286,197	1,097,889
Interest and dividends	71,100	25,070	96,170
Total investment earnings	<u>882,792</u>	<u>311,267</u>	<u>1,194,059</u>
Less investment expenses:			
Investment management fees			
Net investment earnings	<u>882,792</u>	<u>311,267</u>	<u>1,194,059</u>
Total additions	<u>1,155,498</u>	<u>425,159</u>	<u>1,580,657</u>
Deductions:			
Pension Distributions and Expenses	<u>211,092</u>	<u>59,466</u>	<u>270,558</u>
Total deductions	<u>211,092</u>	<u>59,466</u>	<u>270,558</u>
Change in Net Position	944,406	365,693	1,310,099
Net Position at Beginning of Year	<u>3,122,273</u>	<u>1,084,544</u>	<u>4,206,817</u>
Net Position at End of Year	<u>\$ 4,066,679</u>	<u>\$ 1,450,237</u>	<u>\$ 5,516,916</u>

D. Defined Contribution Plan

The Town adopted and administers a single-employer defined contribution pension plan – The Town of Burlington 401(k) Highway. Employees may make elective deferrals to the plan and are eligible for matching contributions from the Town. Employees are vested in the plan after five years. Forfeitures may reduce future Town contributions or can be used to pay plan expenses. The Plan currently has six participants and the expense to the Town for this plan during the year ended June 30, 2021 was \$34,849.

5. OTHER POST-EMPLOYMENT BENEFIT PLANS

A. Town and Board of Education Program

Plan Description

The Town provides eligible retirees with other post-employment benefits (OPEB Program) for medical coverage through the Town's group health insurance plans, which cover both active and retired members. Benefit and contribution provisions are established through negotiations between the Town and the union representing Town employees, and are renegotiated between three-year and five-year bargaining periods.

The Town currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2021, the Town has not established a trust fund to irrevocably segregate assets to fund liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines.

Police retirees hired before July 1, 2010 receive health insurance funded by the Town at 91.5% of the premiums until age 65. The Town pays 85% of Medicare premiums for post-age 65 Police retirees. Retirees may purchase coverage for their spouse at their sole expense. The Town does not cover Medicare premiums of post-age 65 spouses of Police retirees. Police department retirees hired after July 1, 2010 may purchase coverage for the retiree and the retiree's spouse at their sole expense. Town Hall department retirees hired before October 26, 2010 receive health insurance funded by the Town at the same percentage that then-current employees are receiving. Town Hall department retirees hired after October 26, 2010 may purchase coverage for the retiree and the retiree's spouse at their sole expense, to age 65. The benefit is available to Police and Town Hall department retirees at age 60. Highway department retirees hired before July 1, 2010 receive health insurance funded by the Town at the same percentage as it is paying for current employees until age 65. The benefit is available to Highway department retirees at age 62. Highway department retirees hired after July 1, 2010 may purchase coverage for the retiree and the retiree's spouse at their sole expense. The Town does not cover spouses of Highway or Town Hall retirees. Benefit provisions and funding requirements may be amended by the Board of Selectmen.

Funding Policy

The Town appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. Expenditures for premiums for post-employment health care benefits are recognized on the accrual basis.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

At June 30, 2021, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	1
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	<u>35</u>
 Total	 <u><u>36</u></u>

Total OPEB Liability

The Town's total OPEB liability of \$112,454 was measured as of June 30, 2021 and was determined by an actuarial valuation dated July 1, 2019, rolled forward to June 30, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation rate	2.50%
Discount rate	2.16%
Medical trend rates	7.00% decreasing 0.5% each year to an ultimate rate of 4.50% per year rate for 2025 and later

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index as of the measurement date. This represents municipal bond trends based on a portfolio of 20 general obligation bonds that mature in 20 years. Mortality rates were based on RPH-2014 headcount-weighted total dataset fully generational mortality projected table with projection scale MP-2019.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances as of July 1, 2020	\$ <u>101,179</u>
Changes for the year:	
Service cost	8,706
Interest on total OPEB liability	2,427
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	251
Benefit payments	<u>(109)</u>
Net changes	<u>11,275</u>
Balances as of June 30, 2021	\$ <u><u>112,454</u></u>

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 or 1 percentage point higher than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	\$ 117,315	\$ 112,454	\$ 107,197

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 the current healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (6.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (7.00% decreasing to 4.50%)	1% Increase (8.00% decreasing to 5.50%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	\$ 100,892	\$ 112,454	\$ 195,841

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

For the year ended June 30, 2021, the Town recognized OPEB expense of (\$1,626). At June 30, 2021, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$	\$ 64,409
Changes in assumptions	8,873	1,981
Total	<u>\$ 8,873</u>	<u>\$ 66,390</u>

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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

<u>Year Ending June 30</u>	
2022	\$ (12,759)
2023	(12,759)
2024	(12,717)
2025	(10,216)
2026	(8,757)
Thereafter	<u>(309)</u>
	<u>\$ (57,517)</u>

6. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2021.

The Town’s workers compensation policies are with CIRMA’s guaranteed cost programs. 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.

B. Contingent Liabilities

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect the Town’s financial position.

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 BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

7. LANDFILL

The Town of Burlington stopped accepting solid waste at its landfill site in 1991. State and Federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill after the closure was completed. Monitoring and testing costs have averaged less than \$5,000 per year since 1991 and are budgeted annually in the General Fund. Any liability for landfill post closure is not considered to be material to these financial statements. However, due to changes in technology, laws or regulations, these costs may change in the future.

8. RESTATEMENTS

The Town previously reported the activities of the Recreation Board Fund, 5k Run/Walk Fund, Safe Harbor Fund, Building Department Bonds Fund, and the Special Purposes Trust Fund as fiduciary funds. As a result of implementation of GASB No. 84, Fiduciary Activities, as of July 1, 2020, the Town made the following reporting changes: The activities of the Safe Harbor Fund and the Building Department Bonds Fund are reported with General Fund activities; the activities of the Recreation Board Fund and Special Purposes Trust Fund are now reported as Special Revenue Funds and the 5K Run/Walk Fund is reported as a Custodial Fund.

Accordingly, as a result of these restatements, the Town restated the beginning assets and liabilities of the General Fund by \$63,513; increased beginning assets and fund balance / net position of the special revenue funds and governmental activities of \$100,109. The remaining assets of \$609 previously reported in the agency fund were recognized as assets and fund balance of the newly custodial fund.

In addition, the following adjustments were made to the financial statements:

Management concluded that certain funds were not previously included in the financial statements. As a result, as of July 1, 2020, the Food and Fuel Assistance Fund, Tavern Day Fund, Emergency Management Fund and Project Graduation Fund are now reported as Special Revenue Funds and the Cheer Fund is recorded with the General Fund.

The Town was incorrectly recognizing revenue in the Small Cities Fund in accordance with the modified accrual basis of accounting. In order to correct this, the fund balance of the small cities fund decreased by \$194,169 and liabilities increased by the same amount.

In the General Fund, sewer expenditures were incorrectly recorded in the current year. As a result, fund balance decreased \$134,419.

The Pension Trust fund's investments and net position were corrected to agree to the investment custodian's statements. Investments and net position decreased by \$57,000.

**TOWN OF BURLINGTON, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The restatements of the assets, liabilities, fund balance and net position as follows:

Governmental Funds:	Governmental Activities Net Position	Nonmajor Governmental Funds Fund Balance	General Fund Fund Balance
Balance as previously reported June 30, 2020	\$ 25,028,436	\$ 4,436,328	\$ 7,064,455
<u>GASB 84 Adjustments:</u>			
Recreation Board Fund now reported as a Special Revenue Fund	40,370	40,370	
Special Purposes Trust Fund now reported as a Special Revenue Fund	21,500	21,500	
<u>Other Adjustments:</u>			
Food and Fuel Assistance Fund reported as a Special Revenue Fund	25,248	25,248	
Tavern Day Fund reported as a Special Revenue Fund	8,743	8,743	
Emergency Management Fund reported as a Special Revenue Fund	1,237	1,237	
Project Graduation Fund reported as a Special Revenue Fund	3,011	3,011	
Cheer Fund now reported with the General Fund	413		413
Defer unavailable portion of small cities loans receivable		(194,169)	
Accrual adjustment to recognize sewer payment expenditure in proper year	(134,419)		(134,419)
Balance as restated July 1, 2020	<u>\$ 24,994,539</u>	<u>\$ 4,342,268</u>	<u>\$ 6,930,449</u>

Fiduciary Funds:	Agency Funds	Pension Trust Funds Net Position	Private Purpose Trust Funds Net Position	Custodial Funds Net Position
Balance as previously reported June 30, 2020	\$ 104,076	\$ 4,263,817	\$ 30,972	\$ -
<u>GASB 84 Adjustments:</u>				
Recreation Board Fund now reported as a Special Revenue Fund	(40,370)			
5K Run / Walk fund now reported as a Custodial Fund	(606)			606
Safe Harbor Fund now reported in the General Fund	(9,596)			
Building Department Bonds now reported in the General Fund	(53,504)			
Special Purposes Trust Fund now reported as a Special Revenue Fund			(21,500)	
<u>Other Adjustments:</u>				
To adjust fiduciary net position for investment valuation		(57,000)		
Balance as restated July 1, 2020	<u>\$ -</u>	<u>\$ 4,206,817</u>	<u>\$ 9,472</u>	<u>\$ 606</u>

TOWN OF BURLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property Taxation:				
Current year levy	\$ 31,886,591	\$ 31,886,591	\$ 32,359,863	\$ 473,272
Appropriated from Surplus	320,645	320,645	-	(320,645)
Interest Earned	70,000	70,000	31,567	(38,433)
Total property taxation	<u>32,277,236</u>	<u>32,277,236</u>	<u>32,391,430</u>	<u>114,194</u>
State and Federal Grants:				
State of Connecticut				
Town Aid Road	261,332	261,332	261,940	608
In Lieu of Taxes	22,931	22,931	22,931	-
Welfare and Elderly			1,463	1,463
Court Fines	2,500	2,500	550	(1,950)
Education	3,923,648	3,923,648	3,923,672	24
State Other grants for Muni Projects	15,300	15,300	15,300	-
State Muni Stabilization Grant	34,417	34,417	34,417	-
Senior Transportation Grant	17,000	17,000	20,717	3,717
Total State and Federal Grants	<u>4,277,128</u>	<u>4,277,128</u>	<u>4,280,990</u>	<u>3,862</u>
Other Revenues				
Zoning and Building Permits	126,000	126,000	289,682	163,682
IWWC Permits	1,000	1,000	2,192	1,192
Peddlers/Other Permits	500	500	300	(200)
Pistol Permits	1,000	1,000	12,110	11,110
Town Clerk's Fees	50,000	50,000	123,216	73,216
Conveyance Taxes	100,000	100,000	224,748	124,748
Recreation Commission	15,000	15,000	15,000	-
WPCA - Farmington, Canton, Bristol usage	150,000	150,000	286,994	136,994
WPCA - Lake Garda Farm/Bristol Assess	120,000	120,000	97,535	(22,465)
WPCA - Canton pump assessment (7yr)	800	800	-	(800)
Waste Collection	30,000	30,000	36,013	6,013
Senior Housing	70,000	70,000	70,000	-
BVFD Ambulance Fees	200,000	200,000	213,479	13,479
BVFD Tower Rental	100,000	100,000	106,923	6,923
Miscellaneous	50,000	50,000	20,114	(29,886)
Total charges for other revenues	<u>1,014,300</u>	<u>1,014,300</u>	<u>1,498,306</u>	<u>484,006</u>
Total Revenues	\$ <u>37,568,664</u>	\$ <u>37,568,664</u>	\$ <u>38,170,726</u>	\$ <u>602,062</u>

Budgetary revenues are different than GAAP revenues because:

Revaluation reserve fund revenues are not budgeted for	\$ 167
Retention pond maintenance reserve fund revenues are not budgeted for	102
Snow removal reserve fund revenues are not budgeted for	234
Cheer fund revenues are not budgeted for	337
The Town does not budget for certain capital and related revenues	997,486
The Town budgets for certain grant activity net of expenditures	<u>177,214</u>

Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds Exhibit IV

\$ 39,346,266

**TOWN OF BURLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
General government:				
Board of Selectmen	\$ 145,232	\$ 147,006	\$ 146,279	\$ 727
Human Resources	2,500	1,147	125	1,022
Probate Court	3,200	3,200	3,200	-
Inlands-wetlands Commission	3,000	3,000	1,156	1,844
Elections	43,900	43,900	35,140	8,760
Board of Finance	400	400	284	116
Auditing	26,500	21,776	18,975	2,801
Assessors	88,958	93,682	92,794	888
Board of Assessment	250	250	59	191
Tax Collector	79,187	83,159	82,515	644
Finance Office	171,274	172,986	169,412	3,574
Town Counsel	90,000	90,000	89,843	157
Town Clerk	113,875	120,285	118,525	1,760
Planning & Zoning Board	5,500	5,500	1,737	3,763
Zoning Board of Appeals	1,400	1,400	170	1,230
Insurance& Bonds	273,132	250,321	240,256	10,065
Payroll Taxes	212,000	212,200	212,200	-
Economic Development Commission	1,100	900	-	900
Building Dept/Land Use	170,966	173,921	173,669	252
Pensions	340,000	340,000	339,588	412
Operating of Town Offices	195,017	195,017	187,252	7,765
Commission on Senior Citizens	67,966	65,011	40,566	24,445
Town Engineer	65,000	65,000	38,545	26,455
Health Insurance	738,500	670,062	660,470	9,592
Historical Society	6,000	6,000	6,000	-
Conservation Commission	100	100	64	36
Totals - Government	<u>2,844,957</u>	<u>2,766,223</u>	<u>2,658,824</u>	<u>107,399</u>
Public safety:				
Fire Marshall/Open Burning	71,000	71,000	70,474	526
Police Protection	618,800	647,475	642,897	4,578
Emergency Management	2,980	2,980	2,878	102
BVFD	408,496	408,496	408,496	-
Emergency Communication	46,175	46,175	45,494	681
Ambulance	483,563	482,066	480,979	1,087
School Resource Officer	5,000	5,000	5,000	-
Totals - Public Safety	<u>1,636,014</u>	<u>1,663,192</u>	<u>1,656,218</u>	<u>6,974</u>
Transportation programs:				
Public works	1,754,061	1,754,455	1,744,983	9,472
Snow removal	271,000	285,476	284,606	870
Street Lights	25,000	25,000	17,987	7,013
Totals - Transportation Programs	<u>2,050,061</u>	<u>2,064,931</u>	<u>2,047,576</u>	<u>17,355</u>

(Continued on next page)

**TOWN OF BURLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget - Positive (Negative)
Sanitation				
Town Dump	\$ 2,500	\$ 2,500	\$ 1,854	\$ 646
WPCA	176,200	176,200	171,406	4,794
Waste Removal	1,006,920	1,048,181	1,048,181	-
Totals - Sanitation	<u>1,185,620</u>	<u>1,226,881</u>	<u>1,221,441</u>	<u>5,440</u>
Conservation of Health				
Health District	63,000	63,000	62,178	822
Vital Statistics	100	100	34	66
Totals - Conservation of Health	<u>63,100</u>	<u>63,100</u>	<u>62,212</u>	<u>888</u>
Welfare				
General Assistance	24,727	21,122	15,024	6,098
Visiting Nurse Program	2,500	2,500	2,500	-
Totals - Welfare	<u>27,227</u>	<u>23,622</u>	<u>17,524</u>	<u>6,098</u>
Library				
Town Grant	<u>399,414</u>	<u>406,439</u>	<u>406,297</u>	<u>142</u>
Recreation				
Parks, Memorial & Flag Days	6,050	6,945	6,772	173
Recreational Commission	239,194	237,034	221,969	15,065
Totals- Recreation	<u>245,244</u>	<u>243,979</u>	<u>228,741</u>	<u>15,238</u>
Regional School District #10	<u>27,216,706</u>	<u>27,216,706</u>	<u>27,216,700</u>	<u>6</u>
Debt Service				
Principal Payment of Debt	420,583	420,583	420,582	1
Interest	165,862	175,162	175,162	-
Totals -Debt Service	<u>586,445</u>	<u>595,745</u>	<u>595,744</u>	<u>1</u>
Capital Expense				
Highways	244,000	244,000	244,000	-
Town Hall	25,000	25,000	25,000	-
BVFD Reserve	284,500	284,500	284,500	-
Fire Dept.	41,750	41,750	41,750	-
Library	5,640	5,640	5,566	74
Park & Rec	77,436	77,436	74,521	2,915
Totals - Capital Improvement	<u>678,326</u>	<u>678,326</u>	<u>675,337</u>	<u>2,989</u>
Miscellaneous				
Central Connecticut Planning Agency	7,700	7,732	7,732	-
Dog Fund	40,000	40,000	40,000	-
Hartford County Soil & Water				
Conservation District	850	850	850	-
Contingency	360,000	343,938	340,000	3,938
Municipal Reserve	-	-	-	-
Land Purchase	-	-	-	-
Revaluation	5,000	5,000	5,000	-
Bridge Project	200,000	200,000	200,000	-
Construction Projects	22,000	22,000	21,817	183
	<u>635,550</u>	<u>619,520</u>	<u>615,399</u>	<u>4,121</u>
TOTAL APPROPRIATIONS AND EXPENDITURES	\$ 37,568,664	\$ 37,568,664	\$ 37,402,013	\$ 166,651

(Continued on next page)

**TOWN OF BURLINGTON, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (CONTINUED)
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2021**

Budgetary expenditures are different than GAAP expenditures because:

Cheer fund expenditures are not budgeted for	\$ 50
Transfer out elimination	(25,000)
The Town does not budget for certain capital and related expenditures	966,994
The Town budgets for certain grant activity net of expenditures	177,214
The change in accrued payroll is not budgeted for	<u>(56,082)</u>

Total Expenditures and Other Financing Sources as Reported on the Statement of
Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
Exhibit IV

\$ 38,465,189

TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
EMPLOYEES PENSION PLAN
LAST NINE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Pension liability:									
Service cost	\$ 136,645	\$ 143,819	\$ 152,413	\$ 151,202	\$ 167,085	\$ 136,919	\$ 118,364	\$ 127,840	\$
Interest on total pension liability	240,392	228,082	222,102	205,380	165,159	159,526	146,082	141,691	
Difference between expected and actual experience	(195,241)	86,382	(71,784)	(55,735)	(83,278)	(49,556)	32,022	400,228	
Effect of assumption changes or inputs					497,799		-		
Benefit payments, including refunds of member contributions	(211,092)	(366,707)	(40,741)	(87,046)	(272,778)	(40,741)	(179,655)	(728,405)	
Net change in total Pension liability	(29,296)	91,576	261,990	213,801	473,987	206,148	116,813	(58,646)	-
Total Pension liability - beginning	3,548,520	3,456,944	3,194,954	2,981,153	2,507,166	2,301,018	2,184,205	2,242,851	-
Total Pension liability - ending	3,519,224	3,548,520	3,456,944	3,194,954	2,981,153	2,507,166	2,301,018	2,184,205	2,242,851
Plan fiduciary net position:									
Contributions - employer	206,123	165,960	252,483	232,725	168,521	126,249	163,518	189,680	211,038
Contributions - employee	66,583	70,425	67,581	74,660	67,509	62,672	60,857	61,589	61,677
Net investment income (loss)	882,792	233,059	225,186	189,848	207,875	(26,878)	79,571	282,549	200,619
Benefit payments, including refunds of member contributions	(211,092)	(366,707)	(40,741)	(87,046)	(272,778)	(40,741)	(179,655)	(728,405)	(202,702)
Other			-		(10,207)	(6,374)	(7,013)	(7,578)	(7,562)
Net change in plan fiduciary net position	944,406	102,737	504,509	410,187	160,920	114,928	117,278	(202,165)	263,070
Plan fiduciary net position - beginning	3,122,273	3,019,536	2,515,027	2,104,840	1,943,920	1,828,992	1,711,714	1,913,879	1,650,809
Plan fiduciary net position - ending	4,066,679	3,122,273	3,019,536	2,515,027	2,104,840	1,943,920	1,828,992	1,711,714	1,913,879
Town's net Pension liability (asset)	\$ (547,455)	\$ 426,247	\$ 437,408	\$ 679,927	\$ 876,313	\$ 563,246	\$ 472,026	\$ 472,491	\$ 328,972
Plan fiduciary net position as a percentage of total Pension liability	115.56%	87.99%	87.35%	78.72%	70.60%	77.53%	79.49%	78.37%	85.33%
Covered payroll	1,024,351	1,083,628	1,093,382	1,236,196	1,188,343	1,193,593	1,163,324	1,234,846	1,182,724
Town net Pension (asset) liability as a percentage of covered payroll	-53.44%	39.34%	40.01%	55.00%	73.74%	47.19%	40.58%	38.26%	27.81%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
EMPLOYEES PENSION PLAN
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution*	\$ 214,187	\$ 235,240	\$ 257,947	\$ 289,223	\$ 231,827	\$ 202,326	\$ 155,390	\$ 170,235	\$ 220,598	\$ N/A
Contributions in relation to the actuarially determined contributor	<u>272,706</u>	<u>236,385</u>	<u>320,064</u>	<u>307,385</u>	<u>236,030</u>	<u>188,921</u>	<u>224,375</u>	<u>251,269</u>	<u>272,715</u>	<u>N/A</u>
Contribution Deficiency (Excess)	\$ <u>(58,519)</u>	\$ <u>(1,145)</u>	\$ <u>(62,117)</u>	\$ <u>(18,162)</u>	\$ <u>(4,203)</u>	\$ <u>13,405</u>	\$ <u>(68,985)</u>	\$ <u>(81,034)</u>	\$ <u>(52,117)</u>	\$ <u>N/A</u>
Covered payroll	\$ 1,024,351	\$ 1,083,628	\$ 1,093,382	\$ 1,236,196	\$ 1,188,343	\$ 1,193,593	\$ 1,163,324	\$ 1,234,846	\$ 1,182,724	\$ N/A
Contributions as a percentage of covered payroll	26.62%	21.81%	29.27%	24.87%	19.86%	15.83%	19.29%	20.35%	23.06%	N/A

Notes to Schedule:

Valuation date: July 1, 2020
Measurement date: June 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate
Asset valuation method	Market value
Inflation	None (included in investment return)
Salary increases	4.00% average, including inflation
Investment rate of return	7.0%, pre-retirement; 6.0% post-retirement

Changes in assumptions

* Contribution amounts for fiscal year ending June 30, 2014 and prior are Annual Required Contribution (ARC) under GASB 27.

TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CONSTABLES PENSION PLAN
LAST NINE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Pension liability:									
Service cost	\$ 84,027	\$ 85,772	\$ 72,298	\$ 75,113	\$ 71,313	\$ 46,894	\$ 47,399	\$ 3,723	\$
Interest on total pension liability	75,300	68,593	66,100	60,307	49,241	46,956	41,645	41,116	
Difference between expected and actual experience	96,584	(465)	(46,287)	3,822	(52,654)	(4,221)	43,812	39,159	
Effect of assumption changes or inputs					146,889		-		
Benefit payments, including refunds of member contributions	(59,466)	(56,484)	(56,484)	(56,484)	(56,984)	(56,984)	(56,984)	(56,984)	
Net change in total Pension liability	196,445	97,416	35,627	82,758	157,805	32,645	75,872	27,014	-
Total Pension liability - beginning	1,107,918	1,010,502	974,875	892,117	734,312	701,667	625,795	598,781	-
Total Pension liability - ending	<u>1,304,363</u>	<u>1,107,918</u>	<u>1,010,502</u>	<u>974,875</u>	<u>892,117</u>	<u>734,312</u>	<u>701,667</u>	<u>625,795</u>	<u>598,781</u>
Plan fiduciary net position:									
Contributions - employer	86,392	50,219	108,764	91,675	47,320	37,488	7,441	21,114	8,476
Contributions - employee	27,500	26,289	22,223	22,271	25,862	23,693	20,788	10,961	4,463
Net investment income (loss)	311,267	78,567	74,182	63,829	69,281	(9,048)	28,705	94,354	63,190
Benefit payments, including refunds of member contributions	(59,466)	(56,484)	(56,484)	(56,484)	(56,484)	(56,484)	(56,984)	(56,984)	(56,484)
Other			-		(1,856)	(1,159)	(1,403)	(659)	(658)
Net change in plan fiduciary net position	365,693	98,591	148,685	121,291	84,123	(5,510)	(1,453)	68,786	18,987
Plan fiduciary net position - beginning	1,084,544	985,953	837,268	715,977	631,854	637,364	638,817	570,031	551,044
Plan fiduciary net position - ending	<u>1,450,237</u>	<u>1,084,544</u>	<u>985,953</u>	<u>837,268</u>	<u>715,977</u>	<u>631,854</u>	<u>637,364</u>	<u>638,817</u>	<u>570,031</u>
Town's net Pension liability	\$ <u>(145,874)</u>	\$ <u>23,374</u>	\$ <u>24,549</u>	\$ <u>137,607</u>	\$ <u>176,140</u>	\$ <u>102,458</u>	\$ <u>64,303</u>	\$ <u>(13,022)</u>	\$ <u>28,750</u>
Plan fiduciary net position as a percentage of total Pension liability	111.18%	97.89%	97.57%	85.88%	80.26%	86.05%	90.84%	102.08%	95.20%
Covered payroll	\$ 433,285	\$ 415,742	\$ 628,520	\$ 431,945	\$ 449,991	\$ 394,877	\$ 346,460	\$ 178,078	\$ 144,184
Town net Pension (asset) liability as a percentage of covered payroll	-33.67%	5.62%	3.91%	31.86%	39.14%	25.95%	18.56%	-7.31%	19.94%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONSTABLES PENSION PLAN
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution*	\$ 66,846	\$ 76,137	\$ 105,565	\$ 107,213	\$ 71,062	\$ 66,575	\$ 28,296	\$ 24,310	\$ 12,778	\$ N/A
Contributions in relation to the actuarially determined contribution	<u>113,892</u>	<u>76,508</u>	<u>130,987</u>	<u>113,945</u>	<u>73,182</u>	<u>61,181</u>	<u>28,229</u>	<u>32,075</u>	<u>12,939</u>	<u>N/A</u>
Contribution Deficiency (Excess)	\$ <u>(47,046)</u>	\$ <u>(371)</u>	\$ <u>(25,422)</u>	\$ <u>(6,732)</u>	\$ <u>(2,120)</u>	\$ <u>5,394</u>	\$ <u>67</u>	\$ <u>(7,765)</u>	\$ <u>(161)</u>	\$ <u>N/A</u>
Covered payroll	\$ 433,285	\$ 415,742	\$ 628,520	\$ 431,945	\$ 449,991	\$ 394,877	\$ 346,460	\$ 178,078	\$ 144,184	\$ N/A
Contributions as a percentage of covered payroll	26.29%	18.40%	20.84%	26.38%	16.26%	15.49%	8.15%	18.01%	8.97%	N/A

Notes to Schedule:

Valuation date: July 1, 2020
Measurement date: June 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate
Asset valuation method	Market value
Inflation	None (included in investment return)
Salary increases	4.00% average, including inflation
Investment rate of return	7.0%, pre-retirement; 6.0% post-retirement

Changes in assumptions

* Contribution amounts for fiscal year ending June 30, 2014 and prior are Annual Required Contribution (ARC) under GASB 27.

**TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION PLAN
LAST NINE FISCAL YEARS***

	Employees Pension Plan								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return, net of investment expense:	28.00%	7.89%	8.48%	8.57%	10.82%	-1.41%	4.26%	16.05%	12.67%

	Constables Pension Plan								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return, net of investment expense:	28.00%	7.89%	8.48%	8.57%	10.84%	-1.42%	4.32%	16.76%	12.07%

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

**TOWN OF BURLINGTON, CONNECTICUT
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2021**

	General Fund	Revaluation Reserve Fund	Retention Pond Maintenance Reserve Fund	Snow Removal Reserve Fund	Cheer Fund	Eliminations	Total General Funds
ASSETS							
Cash and cash equivalents	\$ 8,126,790	\$ 153,400	\$ 89,594	\$ 214,092	\$ 700	\$	\$ 8,584,576
Investments	856,950						856,950
Grants receivable	7,307						7,307
Accounts receivable	4,691						4,691
Property taxes and interest receivable	398,059						398,059
Sewer assessment and interest receivable	282,894						282,894
Interfund receivables	38,648	20,000				(20,000)	38,648
Total Assets	<u>\$ 9,715,339</u>	<u>\$ 173,400</u>	<u>\$ 89,594</u>	<u>\$ 214,092</u>	<u>\$ 700</u>	<u>\$ (20,000)</u>	<u>\$ 10,173,125</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 660,346						\$ 660,346
Due to State of CT	4,408						4,408
Interfund Payables	867,353					(20,000)	847,353
Unearned revenue	350,365						350,365
Total liabilities	<u>1,882,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>1,862,472</u>
Deferred inflows of resources:							
Unavailable revenue - property taxes	295,165						295,165
Unavailable revenue - sewer assessments	203,962						203,962
Total deferred inflows of resources	<u>499,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,127</u>
Fund balances:							
Committed		173,400	89,594	214,092	700		477,786
Assigned to:							
Subsequent Year's Budget	317,136						317,136
Other Purposes	810,540						810,540
Unassigned	6,206,064						6,206,064
Total fund balances	<u>7,333,740</u>	<u>173,400</u>	<u>89,594</u>	<u>214,092</u>	<u>700</u>	<u>-</u>	<u>7,811,526</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,715,339</u>	<u>\$ 173,400</u>	<u>\$ 89,594</u>	<u>\$ 214,092</u>	<u>\$ 700</u>	<u>\$ (20,000)</u>	<u>\$ 10,173,125</u>

**TOWN OF BURLINGTON, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	Revaluation Reserve Fund	Retention Pond Maintenance Reserve Fund	Snow Removal Reserve Fund	Cheer Fund	Elimination	Total General Fund
Revenues:							
Property taxes	\$ 32,359,863	\$	\$	\$	\$	\$	\$ 32,359,863
Intergovernmental revenues	5,442,455						5,442,455
Charges for services	1,406,427						1,406,427
Investment income	31,567	167	102	234			32,070
Contributions and Miscellaneous	35,114				337		35,451
Total revenues	<u>39,275,426</u>	<u>167</u>	<u>102</u>	<u>234</u>	<u>337</u>	<u>-</u>	<u>39,276,266</u>
Expenditures:							
Current:							
General government	2,657,867				50		2,657,917
Public safety	1,584,918						1,584,918
Highway	3,232,309						3,232,309
Sanitation	1,219,314						1,219,314
Health and Welfare	64,066						64,066
Library	401,526						401,526
Recreation	236,949						236,949
Education	27,216,700						27,216,700
Debt service:							
Principal payments	420,582						420,582
Interest and fiscal charges	175,162						175,162
Capital outlay	359,962						359,962
Total expenditures	<u>37,569,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50</u>	<u>-</u>	<u>37,569,405</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,706,071</u>	<u>167</u>	<u>102</u>	<u>234</u>	<u>287</u>	<u>-</u>	<u>1,706,861</u>
Other Financing Sources (Uses):							
Transfers In	70,000	25,000				(25,000)	70,000
Transfers Out	(920,784)					25,000	(895,784)
Total other financing sources	<u>(850,784)</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(825,784)</u>
Net Change in Fund Balances	855,287	25,167	102	234	287	-	881,077
Fund Balances, Beginning of Year as restated	<u>6,478,453</u>	<u>148,233</u>	<u>89,492</u>	<u>213,858</u>	<u>413</u>	<u>-</u>	<u>6,930,449</u>
Fund Balances at End of Year	<u>\$ 7,333,740</u>	<u>\$ 173,400</u>	<u>\$ 89,594</u>	<u>\$ 214,092</u>	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ 7,811,526</u>

	Special Revenue Funds							
	<u>Historic Preservation</u>	<u>Substance Abuse Prevention Program</u>	<u>Sewer Maintenance Fund</u>	<u>Dog Fund</u>	<u>Small Cities Fund</u>	<u>Food and Fuel Assistance Fund</u>	<u>Tavern Day Fund</u>	<u>Recreation Board Fund</u>
ASSETS								
Cash and cash equivalents	\$ 16,830	\$ 9,667	\$ 802,134	\$ 50,494	\$ 41,741	\$ 54,122	\$ 10,753	\$ 102,839
Receivables					183,364			
Interfund receivables								
Total Assets	<u>\$ 16,830</u>	<u>\$ 9,667</u>	<u>\$ 802,134</u>	<u>\$ 50,494</u>	<u>\$ 225,105</u>	<u>\$ 54,122</u>	<u>\$ 10,753</u>	<u>\$ 102,839</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$	\$	\$	\$ 6,543	\$	\$	\$	\$
Unearned revenue				262				
Interfund payables				37,554				
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,359</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:								
Unavailable revenues - loans					183,364			
Fund Balances:								
Restricted	16,830	9,667		6,135	41,741	54,122	10,753	102,839
Committed			802,134					
Total fund balances	<u>16,830</u>	<u>9,667</u>	<u>802,134</u>	<u>6,135</u>	<u>41,741</u>	<u>54,122</u>	<u>10,753</u>	<u>102,839</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,830</u>	<u>\$ 9,667</u>	<u>\$ 802,134</u>	<u>\$ 50,494</u>	<u>\$ 225,105</u>	<u>\$ 54,122</u>	<u>\$ 10,753</u>	<u>\$ 102,839</u>

(Continued on next page)

TOWN OF BURLINGTON, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

EXHIBIT B-1

	Special Revenue Funds				Capital Project Funds			
	Emergency Management Fund	Project Graduation Fund	Senior Special Purposes Fund	Town Center Fund	Land Purchase Reserve	BVFD Equipment Reserve	Highway Equipment Fund	Police Capital Reserve
ASSETS								
Cash and cash equivalents	\$ 1,238	\$ 2,678	\$ 22,800	\$ 6,895	\$ 55,705	\$ 286,942	\$ 768,934	\$ 323,826
Receivables								
Interfund receivables					20,000	301,553	60,421	7,523
Total Assets	<u>\$ 1,238</u>	<u>\$ 2,678</u>	<u>\$ 22,800</u>	<u>\$ 6,895</u>	<u>\$ 75,705</u>	<u>\$ 588,495</u>	<u>\$ 829,355</u>	<u>\$ 331,349</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$	\$	\$	\$	\$	\$	\$	\$
Unearned revenue								
Interfund payables								
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:								
Unavailable revenues - loans								
Fund Balances:								
Restricted	1,238	2,678	22,800					
Committed				6,895	75,705	588,495	829,355	331,349
Total fund balances	<u>1,238</u>	<u>2,678</u>	<u>22,800</u>	<u>6,895</u>	<u>75,705</u>	<u>588,495</u>	<u>829,355</u>	<u>331,349</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,238</u>	<u>\$ 2,678</u>	<u>\$ 22,800</u>	<u>\$ 6,895</u>	<u>\$ 75,705</u>	<u>\$ 588,495</u>	<u>\$ 829,355</u>	<u>\$ 331,349</u>

(Continued on next page)

TOWN OF BURLINGTON, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

EXHIBIT B-1

Capital Project Funds

	<u>Town Hall Renovations</u>	<u>IT Reserve Fund</u>	<u>Barrel Fund</u>	<u>Farmland Preservation</u>	<u>Johnnycake Mountain Recreation Fund</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 107,036	\$ 46,518	\$ 108,911	\$ 81,667	\$ 831,894	\$ 3,733,624
Receivables						183,364
Interfund receivables	<u>10,492</u>				<u>62,176</u>	<u>462,165</u>
Total Assets	<u>\$ 117,528</u>	<u>\$ 46,518</u>	<u>\$ 108,911</u>	<u>\$ 81,667</u>	<u>\$ 894,070</u>	<u>\$ 4,379,153</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$	\$	\$	\$	\$	6,543
Unearned revenue						262
Interfund payables						<u>37,554</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,359</u>
Deferred Inflows of Resources:						
Unavailable revenues - loans						<u>183,364</u>
Fund Balances:						
Restricted						268,803
Committed	<u>117,528</u>	<u>46,518</u>	<u>108,911</u>	<u>81,667</u>	<u>894,070</u>	<u>3,882,627</u>
Total fund balances	<u>117,528</u>	<u>46,518</u>	<u>108,911</u>	<u>81,667</u>	<u>894,070</u>	<u>4,151,430</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 117,528</u>	<u>\$ 46,518</u>	<u>\$ 108,911</u>	<u>\$ 81,667</u>	<u>\$ 894,070</u>	<u>\$ 4,379,153</u>

TOWN OF BURLINGTON, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT B-2

	Special Revenue Funds							
	Historic Preservation	Substance Abuse Prevention Program	Sewer Maintenance Fund	Dog Fund	Small Cities Fund	Food and Fuel Assistance Fund	Tavern Day Fund	Recreation Board Fund
Revenues:								
Charges for services	\$ 2,866	\$	\$ 140,461	\$ 16,802	\$	\$	\$	\$
Intergovernmental Revenues								
Contributions and Miscellaneous				6,758	10,805	38,008	2,010	94,868
Interest revenue	18		1,250		31			
Total revenues	<u>2,884</u>	<u>-</u>	<u>141,711</u>	<u>23,560</u>	<u>10,836</u>	<u>38,008</u>	<u>2,010</u>	<u>94,868</u>
Expenditures:								
Current:								
General Government	232		93,270					32,399
Public Safety				80,043				
Health and Welfare						9,134		
Capital outlay								
Total expenditures	<u>232</u>	<u>-</u>	<u>93,270</u>	<u>80,043</u>	<u>-</u>	<u>9,134</u>	<u>-</u>	<u>32,399</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,652</u>	<u>-</u>	<u>48,441</u>	<u>(56,483)</u>	<u>10,836</u>	<u>28,874</u>	<u>2,010</u>	<u>62,469</u>
Other Financing Sources:								
Transfers in				40,000				
Sale of asset								
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	2,652	-	48,441	(16,483)	10,836	28,874	2,010	62,469
Fund Balances at Beginning of Year	<u>14,178</u>	<u>9,667</u>	<u>753,693</u>	<u>22,618</u>	<u>30,905</u>	<u>25,248</u>	<u>8,743</u>	<u>40,370</u>
Fund Balances at End of Year	<u>\$ 16,830</u>	<u>\$ 9,667</u>	<u>\$ 802,134</u>	<u>\$ 6,135</u>	<u>\$ 41,741</u>	<u>\$ 54,122</u>	<u>\$ 10,753</u>	<u>\$ 102,839</u>

(Continued on next page)

TOWN OF BURLINGTON, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT B-2

	Special Revenue Funds			Capital Projects Funds				
	Emergency Management Fund	Project Graduation Fund	Senior Special Purposes Fund	Town Center Fund	Land Purchase Reserve	BVFD Equipment Reserve	Highway Equipment Fund	Police Capital Reserve
Revenues:								
Charges for services	\$	\$	\$	\$	\$	\$	\$	\$
Intergovernmental Revenues			4,000					
Contributions and Miscellaneous		32,024						
Interest revenue	1				418	630	1,278	386
Total revenues	<u>1</u>	<u>32,024</u>	<u>4,000</u>	<u>-</u>	<u>418</u>	<u>630</u>	<u>1,278</u>	<u>386</u>
Expenditures:								
Current:								
General Government		32,357	2,700					
Public Safety								
Health and Welfare								
Capital outlay					400,000	199,524	32,082	119,405
Total expenditures	<u>-</u>	<u>32,357</u>	<u>2,700</u>	<u>-</u>	<u>400,000</u>	<u>199,524</u>	<u>32,082</u>	<u>119,405</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1</u>	<u>(333)</u>	<u>1,300</u>	<u>-</u>	<u>(399,582)</u>	<u>(198,894)</u>	<u>(30,804)</u>	<u>(119,019)</u>
Other Financing Sources:								
Transfers in					20,000	301,553	60,421	59,954
Sale of asset						15,000		
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>316,553</u>	<u>60,421</u>	<u>59,954</u>
Net Change in Fund Balances	1	(333)	1,300	-	(379,582)	117,659	29,617	(59,065)
Fund Balances at Beginning of Year	<u>1,237</u>	<u>3,011</u>	<u>21,500</u>	<u>6,895</u>	<u>455,287</u>	<u>470,836</u>	<u>799,738</u>	<u>390,414</u>
Fund Balances at End of Year	<u>\$ 1,238</u>	<u>\$ 2,678</u>	<u>\$ 22,800</u>	<u>\$ 6,895</u>	<u>\$ 75,705</u>	<u>\$ 588,495</u>	<u>\$ 829,355</u>	<u>\$ 331,349</u>

(Continued on next page)

TOWN OF BURLINGTON, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT B-2

	<u>Capital Projects Funds</u>					<u>Total</u>
	<u>Town Hall Renovations</u>	<u>IT Reserve Fund</u>	<u>Barrel Fund</u>	<u>Farmland Preservation</u>	<u>Johnnycake Mountain Recreation Fund</u>	
Revenues:						
Charges for services	\$	\$	\$ 394	\$ 4,299	\$	\$ 164,822
Intergovernmental Revenues						4,000
Contributions and Miscellaneous						184,473
Interest revenue	170	53		60	1,368	5,663
Total revenues	<u>170</u>	<u>53</u>	<u>394</u>	<u>4,359</u>	<u>1,368</u>	<u>358,958</u>
Expenditures:						
Current:						
General Government						160,958
Public Safety						80,043
Health and Welfare						9,134
Capital outlay	76,055	21,820			20,371	869,257
Total expenditures	<u>76,055</u>	<u>21,820</u>	<u>-</u>	<u>-</u>	<u>20,371</u>	<u>1,119,392</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(75,885)</u>	<u>(21,767)</u>	<u>394</u>	<u>4,359</u>	<u>(19,003)</u>	<u>(760,434)</u>
Other Financing Sources:						
Transfers in	10,492				62,176	554,596
Sale of asset						15,000
Total Other Financing Sources/(Uses)	<u>10,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,176</u>	<u>569,596</u>
Net Change in Fund Balances	(65,393)	(21,767)	394	4,359	43,173	(190,838)
Fund Balances at Beginning of Year	<u>182,921</u>	<u>68,285</u>	<u>108,517</u>	<u>77,308</u>	<u>850,897</u>	<u>4,342,268</u>
Fund Balances at End of Year	<u>\$ 117,528</u>	<u>\$ 46,518</u>	<u>\$ 108,911</u>	<u>\$ 81,667</u>	<u>\$ 894,070</u>	<u>\$ 4,151,430</u>

TOWN OF BURLINGTON, CONNECTICUT
COMBINING STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021

	Business-type Activities - Enterprise Funds		
	Non Major Funds		
	Senior Housing Fund	Water Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 96,572	\$ 14,753	\$ 111,325
Investments	89,518		89,518
Receivables	282	1,343	1,625
Total current assets	<u>186,372</u>	<u>16,096</u>	<u>202,468</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	<u>5,857</u>		<u>5,857</u>
Total noncurrent assets	<u>5,857</u>	<u>-</u>	<u>5,857</u>
Total assets	<u>192,229</u>	<u>16,096</u>	<u>208,325</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	24,490		24,490
Due to other funds	1,094		1,094
Total current liabilities	<u>25,584</u>	<u>-</u>	<u>25,584</u>
Net Position:			
Net investment in capital assets	5,857	-	5,857
Unrestricted	<u>160,788</u>	<u>16,096</u>	<u>176,884</u>
Total Net Position	<u>\$ 166,645</u>	<u>\$ 16,096</u>	<u>\$ 182,741</u>

TOWN OF BURLINGTON, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds		
	Non Major Funds		
	Senior Housing Fund	Water Fund	Total
Operating Revenues:			
Rent	\$ 245,835	\$	\$ 245,835
Service revenue	3,652		3,652
Water charges for services		4,915	4,915
Total operating revenues	<u>249,487</u>	<u>4,915</u>	<u>254,402</u>
Operating Expenses:			
Water purchased		5,083	5,083
Salaries and benefits	34,576		34,576
Contractual and purchased services	11,555		11,555
Utilities	60,033		60,033
Repairs and maintenance	34,777		34,777
Materials and supplies	1,582		1,582
Administration	13,883		13,883
Depreciation	4,031		4,031
Total operating expenses	<u>160,437</u>	<u>5,083</u>	<u>165,520</u>
Operating Income (Loss)	<u>89,050</u>	<u>(168)</u>	<u>88,882</u>
Nonoperating revenues (expenses):			
Income on investments	<u>1,069</u>		<u>1,069</u>
Income (Loss) Before Transfers	90,119	(168)	89,951
Transfers Out	<u>(70,000)</u>		<u>(70,000)</u>
Change in Net Position	20,119	(168)	19,951
Net Position at Beginning of Year	<u>146,526</u>	<u>16,264</u>	<u>162,790</u>
Net Position at End of Year	<u>\$ 166,645</u>	<u>\$ 16,096</u>	<u>\$ 182,741</u>

TOWN OF BURLINGTON, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds		
	Non Major Funds		
	Senior Housing Fund	Water Fund	Total
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 255,291	\$ 4,134	\$ 259,425
Payments to suppliers	(122,971)	(5,083)	(128,054)
Payments to employees	(34,576)		(34,576)
Payments for interfund services used	1,094		1,094
Net cash provided by (used in) operating activities	<u>98,838</u>	<u>(949)</u>	<u>97,889</u>
Cash Flows from Noncapital Financing Activities:			
Transfers out to other funds	<u>(70,000)</u>		<u>(70,000)</u>
Net cash provided by (used in) noncapital financing activities	<u>(70,000)</u>	<u>-</u>	<u>(70,000)</u>
Cash Flows from Capital and Related Financing Activities:			
(Purchase) sale of investments	<u>(1,107)</u>		<u>(1,107)</u>
Net cash provided by (used in) capital and related financing activities	<u>(1,107)</u>	<u>-</u>	<u>(1,107)</u>
Cash Flows from Investing Activities:			
Interest on investments	<u>1,069</u>	<u>-</u>	<u>1,069</u>
Net cash provided by (used in) investing activities	<u>1,069</u>	<u>-</u>	<u>1,069</u>
Net Increase (Decrease) in Cash and Cash Equivalents	28,800	(949)	27,851
Cash and Cash Equivalents at Beginning of Year	<u>67,772</u>	<u>15,702</u>	<u>83,474</u>
Cash and Cash Equivalents at End of Year	<u>\$ 96,572</u>	<u>\$ 14,753</u>	<u>\$ 111,325</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ 89,050	\$ (168)	\$ 88,882
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	4,031		4,031
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	5,804	(781)	5,023
Increase (decrease) in due to other funds accrued items	1,094		1,094
Total adjustments	<u>(1,141)</u>	<u></u>	<u>(1,141)</u>
Total adjustments	<u>9,788</u>	<u>(781)</u>	<u>9,007</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 98,838</u>	<u>\$ (949)</u>	<u>\$ 97,889</u>

**TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2021**

Grand List of October 1,	Uncollected Taxes July 1, 2020 and Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Tax Levy	Collections				Uncollected Taxes June 30, 2021
		Additions	Deductions			Taxes	Interest	Liens	Total	
2019	\$ 32,298,117	\$ 34,263	\$ 87,941	\$ 24,973	\$ 32,219,466	\$ 32,065,635	\$ 66,352	\$ 1,755	\$ 32,133,742	\$ 153,831
2018	217,607	1,362	15,826	(14,547)	217,690	164,675	35,058	587	200,320	53,015
2017	64,781	1,084	688	405	64,772	36,515	10,169	216	46,900	28,257
2016	17,177			1,045	16,132	2,495	776	48	3,319	13,637
2015	10,421			1,730	8,691	2,088	927		3,015	6,603
2014	10,624			4,307	6,317	347	324		671	5,970
2013	8,093		209	2,984	4,900	150	173		323	4,750
2012	6,394		225	158	6,011	198	264		462	5,813
2011	7,447			730	6,717	182	273		455	6,535
2010	4,149			318	3,831	211	346		557	3,620
2009	1,024			373	651	82	189		271	569
2008	2,225			224	2,001	63	131		194	1,938
2007	6,937			108	6,829	77	170		247	6,752
2006	2,136			755	1,381	91	216	7	314	1,290
2005	1,192			706	486	1	2	9	12	485
2004	7,938			7,938	-				-	-
	<u>\$ 32,666,262</u>	<u>\$ 36,709</u>	<u>\$ 104,889</u>	<u>\$ 32,207</u>	<u>\$ 32,565,875</u>	<u>\$ 32,272,810</u>	<u>\$ 115,370</u>	<u>\$ 2,622</u>	<u>\$ 32,390,802</u>	<u>\$ 293,065</u>

**TOWN OF BURLINGTON, CONNECTICUT
SCHEDULES OF SEWER USE AND SEWER ASSESSMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

SCHEDULE OF SEWER USE CHARGES LEVIED, COLLECTED AND OUTSTANDING

Grand List of October 1,	Sewer Use Charges July 1, 2020 and Current Year	Lawful Corrections		Adjusted Sewer Use Charges	Collections			Uncollected Amount June 30, 2021	
		Additions	Deductions		Use Charges	Interest and Liens			Total
2019	\$ 249,549	\$	\$ (500)	\$ 249,049	\$ 162,823	\$ 15	\$ 162,838	\$ 86,226	
2018	136,615			136,615	125,460	2,975	128,435	11,155	
2017	7,535			7,535	3,820	1,382	5,202	3,715	
2016	1,984			1,984	904	676	1,580	1,080	
	<u>\$ 395,683</u>	<u>\$ -</u>	<u>\$ (500)</u>	<u>\$ 395,183</u>	<u>\$ 293,007</u>	<u>\$ 5,048</u>	<u>\$ 298,055</u>	<u>\$ 102,176</u>	

SCHEDULE OF SEWER ASSESSMENTS LEVIED, COLLECTED AND OUTSTANDING

Sewer Assessments Receivable July 1, 2020	Lawful Corrections		Adjusted Assessments Collectible	Collections			Uncollected Amount June 30, 2021	
	Additions	Deductions		Assessments	Interest and Liens			Total
<u>\$ 288,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 288,288</u>	<u>\$ 129,433</u>	<u>\$ 16,829</u>	<u>\$ 146,262</u>	<u>\$ 158,855</u>	

**TOWN OF BURLINGTON, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2021**

Total Tax Collections, (Including Interest and Lien Fees) Received by Treasurer, prior fiscal year	\$ 31,763,442
Reimbursement for Revenue Loss on: Tax relief for elderly, prior fiscal year	<u> </u>
Base	<u>\$ 31,763,442</u>

	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2.25 times base	\$ 71,467,745	\$	\$	\$	\$
4.50 times base		142,935,489			
3.75 times base			119,112,908		
3.25 times base				103,231,187	
3 times base					95,290,326
Total debt limitation	<u>71,467,745</u>	<u>142,935,489</u>	<u>119,112,908</u>	<u>103,231,187</u>	<u>95,290,326</u>
Indebtedness:					
General obligation bonds	5,155,000				
Clean Water Fund Loan			732,995		
Overlapping Debt - 66.28%					
Regional School District No. 10		6,800,328			
Authorized but unissued debt	-				
Total indebtedness	<u>5,155,000</u>	<u>6,800,328</u>	<u>732,995</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 66,312,745</u>	<u>\$ 142,935,489</u>	<u>\$ 118,379,913</u>	<u>\$ 103,231,187</u>	<u>\$ 95,290,326</u>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation, or \$222,344,094.

**TOWN OF BURLINGTON, CONNECTICUT
COMPARATIVE ASSESSED VALUATIONS
LAST TEN YEARS
(UNAUDITED)**

Year Ended June 30	Grand List	Gross Taxable Grand List	Less: Exemptions	Net Taxable Grand List
2021	2019	\$ 965,908,202	\$ 3,059,929	\$ 962,848,273
2020	2018	965,568,221	1,830,269	963,737,952
2019	2017	946,842,535	1,898,574	944,943,961
2018	2016	930,687,550	2,372,415	928,315,135
2017	* 2015	920,887,958	2,276,521	918,611,437
2016	2014	911,512,927	2,355,517	909,157,410
2015	2013	897,383,120	2,196,688	895,186,432
2014	2012	953,084,121	2,355,501	950,728,620
2013	2011	944,951,909	2,600,480	942,351,429
2012	* 2010	925,717,208	3,233,330	922,483,878

* Revaluation performed for Grand List year

**TOWN OF BURLINGTON, CONNECTICUT
PRINCIPAL TAXPAYERS
2019 GRAND LIST
(UNAUDITED)**

Taxpayer	(1) Assessment	Rank	Percent of Net Taxable Grand List
New Britain City of	\$ 13,099,940	1	1.36%
Metropolitan District Commission The	10,998,620	2	1.14%
Conn Light & Power	9,403,700	3	0.98%
Carrier Home Builders Inc	4,066,950	4	0.42%
Bristol City of	3,013,850	5	0.31%
NJA & Associates LLC	2,102,380	6	0.22%
Hearthstone Living LLC	2,048,480	7	0.21%
ACAR Leasing LTD	1,765,322	8	0.18%
Toyota Lease Trust	1,581,939	9	0.16%
Honda Lease Trust	<u>1,509,589</u>	10	<u>0.16%</u>
TOTAL	\$ <u>49,590,770</u>		<u>5.23%</u>

*Based on October 1, 2019 Net Taxable Grant List of \$962,848,273.
Source: Tax Assessor, Town of Burlington*

TOWN OF BURLINGTON, CONNECTICUT
PROPERTY TAX RATES, LEVIES AND COLLECTIONS
LAST TEN YEARS
(UNAUDITED)

Year Ended June 30	(1) (2) Tax Rate In Mills	Grand List Of October 1,	Total Adjusted Tax Levy	Percent Collected Within the Fiscal Year of Levy	Percent Uncollected at End of Fiscal Year of Levy	Percentage Uncollected at June 30, 2021
2021	33.30	2019	\$ 32,244,438	99.30%	0.70%	0.70%
2020	33.00	2018	31,640,620	99.29%	0.71%	0.33%
2019	32.50	2017	30,599,531	99.22%	0.78%	0.44%
2018	32.00	2016	29,651,900	99.34%	0.66%	0.08%
2017	31.60	2015	28,941,450	99.39%	0.61%	0.06%
2016	31.10	2014	28,063,768	99.28%	0.72%	0.05%
2015	29.85	2013	26,634,853	98.96%	1.04%	0.05%
2014	27.50	2012	26,079,669	99.06%	0.94%	0.09%
2013	26.80	2011	25,138,649	99.02%	0.98%	0.08%
2012	26.75	2010	24,795,588	99.04%	0.96%	0.08%

**TOWN OF BURLINGTON, CONNECTICUT
DEBT STATEMENT
JUNE 30, 2021
(UNAUDITED)**

Direct Debt		
Long Term Debt		
Bonds:		
General Purpose		\$ 5,155,000
Sewer		<u>732,995</u>
Total Long Term Debt		<u>\$ 5,887,995</u>
Total Direct Debt		5,887,995
Less:		
Self Supporting Debt		<u> </u>
Total Net Direct Debt		5,887,995
Overlapping Debt		<u>6,800,328</u>
Total Overall Net Debt		<u>\$ 12,688,323</u>

**TOWN OF BURLINGTON, CONNECTICUT
CURRENT DEBT RATIOS
JUNE 30, 2021
(UNAUDITED)**

1	Population		9,520
2	Net Taxable Grand List 10/1/2019	\$	962,848,273
	Estimated Full Value	\$	965,908,202

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	<u>5,887,995</u>	<u>5,887,995</u>	<u>12,688,323</u>
Per Capita	618.49	618.49	1,332.81
Ratio to Net Taxable Grand List	0.61%	0.61%	1.32%
Ratio to Estimated Full Value	0.61%	0.61%	1.31%

1 **OPM Municipal Fiscal Indicators**
2 **Revalued 10/1/19**

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

