

**CITY OF BURLINGTON, VERMONT
WASTEWATER ENTERPRISE FUND
FINANCIAL STATEMENTS**



FOR FISCAL YEARS ENDED

JUNE 30, 2021 AND 2020

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Independent Auditors' Report

To the Board of Commissioners
Department of Public Works
City of Burlington, Vermont

Report on the Financial Statements

We have audited the accompanying financial statements of the Wastewater Enterprise Fund of the City of Burlington, Vermont, (the Fund), as of and for the years ended June 30, 2021 and 2020 as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

The Fund's 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 an opinion 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. 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 Fund'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 Fund'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 opinion.

Merrimack, New Hampshire
Andover, Massachusetts
Greenfield, Massachusetts
Ellsworth, Maine



As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of the City of Burlington, Vermont, as of June 30, 2021 and 2020, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fund, as of June 30, 2021, and 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, and the Pension and OPEB schedules 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 evidence sufficient to express an opinion or provide any assurance.

Melanson

Merrimack, New Hampshire
March 23, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Burlington Wastewater Enterprise Fund's (the Fund) annual financial report, management provides a narrative discussion and analysis of the financial activities for the year ended June 30, 2021. The Fund's performance is discussed and analyzed within the context of the accompanying financial statements and note disclosures following this section.

Overview of the Financial Statements:

Wastewater is an enterprise fund of the City of Burlington. An enterprise fund is established to account for the operations that are financed and operated in a manner similar to business-type activities, where fees are charged to external parties to cover the costs of providing goods and services. An enterprise fund uses the accrual basis of accounting and accordingly, revenue are recognized when earned and expenses are recognized as incurred.

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements include (1) the statements of net position, (2) the statements of revenues, expenses and changes in net position, (3) the statements of cash flows, and (4) notes to financial statements.

Financial Highlights:

The Statement of Net Position is designed to indicate our financial position as of a specific point in time. At June 30, 2021, it shows our net position of \$14,419,283, an increase of 495,993 in comparison to the prior year. The unrestricted net position increased from the prior year by \$959,791 as further explained in the following paragraph.

The Statement of Revenues, Expenses, and Changes in Net Position summarize our operating results and reveals how much, if any, of a profit was earned for the year. Operating income remained steady compared to previous years. Operating revenues increased only slightly based on the strength of our BOD surcharge and other wastewater disposal revenue (i.e., sludge, septage). While no rate increase was pursued to minimize the impact to ratepayers during the COVID-19 pandemic, increases in residential water usage did help to buffer against decreases in commercial usage during the first three quarters of FY21. Operating expenses remained steady – due in part to some wastewater flow related expense lines being underspent (sludge disposal, chemical usage).

The Statement of Cash Flows provides information about cash receipts and cash payments during the accounting period. It also provides information about investing and financing activities for the same period. A review of our Statement of Cash Flows indicates that cash receipts from operating activities adequately covered our operating expenses (excluding depreciation), debt services as well as providing some for capital investment.

The following table highlights the fund's Statement of Net Position and Statement of Changes in Net Position as of and for the years ended June 30 (in thousands):

Statements of Net Position			
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assets:			
Current assets	\$ 6,593	\$ 5,187	\$ 4,307
Non-current assets	<u>25,866</u>	<u>23,005</u>	<u>24,077</u>
Total assets	32,459	28,192	28,384
Deferred outflows of resources	<u>361</u>	<u>346</u>	<u>406</u>
Total assets and deferred outflows of resources	<u>\$ 32,820</u>	<u>\$ 28,538</u>	<u>\$ 28,790</u>
Liabilities:			
Long-term liabilities	\$ 12,165	\$ 12,853	\$ 13,649
Other liabilities	<u>6,097</u>	<u>1,581</u>	<u>1,009</u>
Total liabilities	18,262	14,434	14,658
Deferred inflows of resources	139	181	312
Net position:			
Net investment in capital assets	9,396	9,785	9,961
Restricted	1,433	1,508	1,487
Unrestricted	<u>3,590</u>	<u>2,630</u>	<u>2,372</u>
Total net position	<u>14,419</u>	<u>13,923</u>	<u>13,820</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 32,820</u>	<u>\$ 28,538</u>	<u>\$ 28,790</u>

Statements of Changes in Net Position			
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating revenues	\$ 7,998	\$ 7,967	\$ 7,939
Operating expenses	<u>(5,998)</u>	<u>(5,875)</u>	<u>(6,002)</u>
Operating income	2,000	2,092	1,937
Nonoperating revenues (expenses)			
Other revenue	84	88	66
Other expense	<u>(405)</u>	<u>(941)</u>	<u>(584)</u>
Total nonoperating (expenses)	(321)	(853)	(518)
Net income before capital contributions	1,679	1,239	1,419
Payments in lieu of taxes	(1,178)	(1,136)	(1,101)
Other payments from/(to) the City	<u>(5)</u>	<u>-</u>	<u>-</u>
Change in net position	496	103	318
Beginning net position	<u>13,923</u>	<u>13,820</u>	<u>13,502</u>
Ending net position	<u>\$ 14,419</u>	<u>\$ 13,923</u>	<u>\$ 13,820</u>

Capital Assets:

Capital Assets – Net capital assets increased by \$2,935,036 in the current year, after depreciation of \$1,212,003. Significant capital asset event in the current year included the disinfection upgrades and improvements totaling \$2,066,142 and the SCADA/PLC improvements totaling \$376,699.

Additional information on capital assets can be found in the Notes to the Financial Statements.

Long-term Debt:

Long-term Debt - At the end of the current fiscal year, total debt outstanding was \$10,887,723, a decrease of (\$732,281) from the prior year, all of which was backed by the full faith and credit of the government.

Standard and Poor's Rating Group and Moody's Investors Services, Inc. has rated, the 2014 Bonds "AA+", and "Aa2", respectively.

Additional information on long-term debt can be found in the Notes to the Financial Statements.

Economic Factors and Net Year's Budgets and Rates

We continue to monitor our billable usage for trends related to the ongoing COVID-19 pandemic, and current usage patterns indicated a realignment to pre-pandemic levels for most customer classes until the Omicron variant surfaced. Our partnership with the State of Vermont's available grant programs to assist eligible account holders with paying their past due and current utility bills is ongoing and has proven successful. In FY 22, we implemented a new rate structure that focuses on ratepayer equity and affordability. The changes include fixed meter fees, a lower wastewater volumetric rate and an assistance program providing fee waivers and rebate opportunities for eligible account holders.

Construction is underway for two sewer pump station upgrades to be completed in FY22 (\$1.663M) with debt service commencing 1 year after the completion of construction. A significant collection system project (\$2.611M) began in FY22. There are other projects currently in planning/design phases so FY23 will see the issuance of additional bonds including a loan for approximately \$12M to implement the remainder of the Wastewater Treatment Plant Phase II refurbishments. However, all are funded under the Clean Water State Revolving Fund loan program with delayed debt service initiation, some amount of loan forgiveness and a 2% admin fee.

Additionally, the Division is completing additional capital and financial feasibility planning work to understand the full cost of fully rehabilitating the wastewater system and also addressing newer regulatory obligations. The 2018 Clean Water Resiliency Bond only provided funding for the highest risk projects, and there are multiple systems at or near end of life. This will likely result in additional bonding in the coming years.

REQUESTS FOR INFORMATION:

This financial report is designed to provide a general overview of the Fund'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:

Office of Clerk/Treasurer
City of Burlington, City Hall
149 Church Street
Burlington, VT 05401

CITY OF BURLINGTON, VERMONT
WASTEWATER ENTERPRISE FUND
STATEMENTS OF NET POSITION
AS OF JUNE 30

	2021	2020
Assets and Deferred Outflows of Resources		
Assets:		
Current:		
Cash and short-term investments	\$ 2,870,611	\$ 2,887,280
Receivables, net of allowance for uncollectibles:		
User fees	1,617,844	1,685,888
Intergovernmental	1,979,498	511,048
Inventory	124,317	100,938
Prepaid expenses	350	1,500
Total current assets	6,592,620	5,186,654
Noncurrent:		
Restricted cash	1,433,365	1,508,583
Capital assets:		
Land and construction in progress	4,850,674	873,745
Capital assets, net of accumulated depreciation	19,582,255	20,624,148
Total noncurrent assets	25,866,294	23,006,476
Total Assets	32,458,914	28,193,130
Deferred Outflows of Resources:		
Pension related:		
Changes in proportional share of contributions	70,649	126,506
Change in assumptions	25,008	46,277
Difference between expected and actual experience	29,590	15,126
Difference between projected and actual investment earnings	102,202	7,401
Deferred current year pension contributions	93,045	102,185
OPEB related:		
Difference between expected and actual experience	1,162	1,563
Change in assumptions	20,545	24,383
Change in proportional share of contributions	18,598	22,393
Total Deferred Outflows of Resources	360,799	345,834
Total Assets and Deferred Outflows of Resources	\$ 32,819,713	\$ 28,538,964

(continued)

CITY OF BURLINGTON, VERMONT
WASTEWATER ENTERPRISE FUND
STATEMENTS OF NET POSITION
AS OF JUNE 30

(continued)

	2021	2020
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities:		
Current:		
Accounts payable	\$ 821,847	\$ 386,597
Accrued payroll	38,045	33,073
Notes payable	5,236,263	1,161,799
Current portion of long-term liabilities:		
Revenue bonds payable	732,281	732,281
State revolving loans	196,421	168,558
Capital lease payable	19,277	18,567
Compensated absences	123,529	109,813
Total current liabilities	7,167,663	2,610,688
Noncurrent:		
Revenue bonds payable net of current portion	8,787,372	9,519,653
State revolving loans, net of current portion	1,171,649	1,199,512
Capital lease payable, net of current portion	55,090	74,367
Net pension liability	961,786	918,549
Total OPEB liability	117,660	111,656
Total noncurrent liabilities	11,093,557	11,823,737
Total Liabilities	18,261,220	14,434,425
Deferred Inflows of Resources:		
Pension related:		
Difference between expected and actual experience	3,546	19,761
Difference between projected and actual investment earnings	32,141	-
Change in assumptions	18,314	41,332
Change in proportional share of contributions	71,770	109,211
OPEB related:		
Difference between expected and actual experience	12,282	9,389
Change in assumptions	1,157	1,556
Total Deferred Inflows of Resources	139,210	181,249
Net Position:		
Net investment in capital assets	9,396,375	9,784,955
Restricted for contingencies	1,433,365	1,508,583
Unrestricted	3,589,543	2,629,752
Total Net Position	14,419,283	13,923,290
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 32,819,713	\$ 28,538,964

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

CITY OF BURLINGTON, VERMONT
WASTEWATER ENTERPRISE FUND
STATEMENTS OF REVENUE, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30

	2021	2020
Operating Revenues:		
Charges for services	\$ 7,997,538	\$ 7,967,188
Operating Expenses:		
Personnel	1,576,936	1,608,800
Non-personnel	3,208,640	3,052,380
Depreciation	1,212,003	1,213,825
Total Operating Expenses	5,997,579	5,875,005
Operating Income	1,999,959	2,092,183
Nonoperating Revenues/(Expenses):		
Intergovernmental	44,400	59,364
Interest income	433	29,420
Cleanwater project design	-	(492,692)
Interest expense	(405,517)	(448,149)
Other income /(expense)	39,022	(644)
Total Nonoperating Revenues/(Expenses)	(321,662)	(852,701)
Income before payments in lieu of taxes	1,678,297	1,239,482
Payments in lieu of taxes to the City of Burlington	(1,177,655)	(1,136,223)
Other payments to the City	(4,649)	-
Change in Net Position	495,993	103,259
Net Position at Beginning of Year	13,923,290	13,820,031
Net Position at End of Year	\$ 14,419,283	\$ 13,923,290

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

CITY OF BURLINGTON, VERMONT
WASTEWATER ENTERPRISE FUND
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30

	2021	2020
Cash flows from operating activities:		
Receipts from users and customers	\$ 8,065,582	\$ 7,714,911
Payments for wages and benefits	(1,566,011)	(1,554,206)
Payments to suppliers	(2,795,619)	(3,000,610)
Other revenues	40,497	(644)
Net cash provided by operating activities	3,744,449	3,159,451
Cash flows from noncapital financing activities:		
Intergovernmental revenues	44,400	59,364
Stormwater design costs financed by revolving loan	-	(492,692)
Payment in lieu of taxes	(1,177,655)	(1,136,223)
Reimbursement to City of Burlington	(4,649)	-
Net cash used by noncapital financing activities	(1,137,904)	(1,569,551)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,148,514)	(121,944)
Proceeds of short term state revolving loans	2,606,014	110,747
Principal payments on revenue bonds	(732,281)	(732,281)
Principal payments on state revolving loans	-	(165,252)
Principal paid on capital leases	(18,567)	(17,883)
Interest paid on outstanding debt	(405,517)	(448,149)
Net cash used by capital and related financing activities	(2,698,865)	(1,374,762)
Cash flows from investing activities:		
Investment income	433	29,420
Net cash provided by investing activities	433	29,420
Net change in cash	(91,887)	244,558
Cash and cash equivalents, beginning of year	4,395,863	4,151,305
Cash and cash equivalents, end of year	\$ 4,303,976	\$ 4,395,863
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income	\$ 1,999,959	\$ 2,092,183
Adjustments to reconcile operating income to net cash provided from operating activities:		
Depreciation	1,212,003	1,213,825
Other (revenues) / expenses	40,497	(644)
Changes in assets, liabilities, and deferred outflows/inflows:		
Accounts receivable	68,044	(252,275)
Inventories	(23,379)	5,814
Prepaid expense	1,150	602
Deferred outflows related to pensions	(22,999)	104,939
Deferred outflows related to OPEB	8,034	(44,799)
Accounts payable	435,250	45,352
Accrued salaries and wages	4,972	5,598
Accrued compensated absences	13,716	(7,513)
Net pension liability	43,237	80,108
Total OPEB liability	6,004	47,292
Deferred inflows related to pensions	(44,533)	(138,234)
Deferred inflows related to OPEB	2,494	7,203
Net cash provided by operating activities	\$ 3,744,449	\$ 3,159,451

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

CITY OF BURLINGTON, VERMONT
WASTEWATER ENTERPRISE FUND

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Financial Reporting Entity

The City of Burlington, Vermont, Wastewater Enterprise Fund (the Fund) is a municipally owned utility organized in 1865 to provide maintenance and treatment of wastewater to the residents of Burlington, Vermont.

The Fund is an enterprise fund within the City of Burlington, Vermont (the City). As such, this financial statement is not intended to present the financial position and results of operations of the City of Burlington, Vermont as a whole.

The accounting policies of the Fund conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

B. Basis of Presentation

Enterprise Funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Based on the above definition, the Fund is accounted for utilizing enterprise fund accounting.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Fund equity (i.e., total net position) is segregated into net investment in capital assets, restricted net position, and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

D. Basis of Accounting

Basis of accounting refers to when revenue and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements are prepared utilizing the accrual basis of accounting. Accordingly, revenues and expenses are recognized at the time goods and services are provided or received. In general, wastewater revenue is determined by water consumption multiplied by the wastewater rate. Under this method, wastewater revenues that have not been billed are recorded as estimated unbilled revenues.

Operating revenues are defined as income received from consumption from customers as well as service revenue for new customers and repairs for old customers.

Nonoperating revenues are defined as income received from sources other than sales. Nonoperating revenues include interest income and gain on sale of assets.

Operating expenses are defined as the ordinary costs and expenses for the operation, maintenance and repair of the wastewater facilities. Operating expenses include the cost of wastewater treatment, maintenance of collection and pumping systems, administrative and general expenses, and depreciation. Operating expenses do not include the interest on bonds, notes, and revolving loans, or indebtedness and related costs.

E. Estimates

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

F. Cash and Short-term Investments

Cash includes amounts in demand deposits and cash on hand, as well as short-term investments with a maturity date within three (3) months of the date of acquisition.

G. Receivables

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

H. Inventories

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories of the Fund consist of construction materials, meters, fuel, and chemicals.

I. Capital Assets

Capital assets, which include land, land improvements, building, and building improvements, vehicles, machinery and equipment, and distribution and collection systems, are recorded at cost including equipment acquired under capital leases that transfer substantially all risk of ownership to the Fund. Contributed assets are recorded at acquisition value at the time received. The cost of normal maintenance and repairs that do not add to the value or materially extend the asset's lives are not capitalized. The Fund's capitalization policy considers two factors. Property will be capitalized when:

1. The combined cost to put a unit in service come to more than \$10,000
2. The unit estimated life is greater than five (5) years

The Fund follows the policy of charging to expenses annual amounts of depreciation which allocates the cost of plant and equipment over their estimated useful lives. The Fund employs the straight-line method for determining the annual charge for depreciation.

The depreciable lives of capital assets are as follows:

	<u>Depreciable Lives</u>
Land improvements	30 Years
Buildings and improvements	25 - 150 Years
Infrastructure	10 - 40 Years
Machinery, equipment, and vehicles	5 - 15 Years

J. Long-Term Obligations

In the Fund's statements, revenue bonds, state revolving loans, net pension liability, compensated absences payable, and total OPEB liability are reported as long-term liabilities.

2. CASH AND SHORT-TERM INVESTMENTS

Custodial credit risk for deposits is the risk that in the event of a bank failure, the deposits may not be returned. The custodial credit risk for investments is the risk that, in the event of a failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Cash received by the Fund is placed in the custody of the City Clerk/Treasurer’s Office. Disclosures related to collateralization are included in the City’s Annual Comprehensive Financial Report.

3. USER FEES RECEIVABLE

Receivables at June 30 consisted of the following:

	<u>2021</u>	<u>2020</u>
Billed user fees	\$ 982,069	\$ 1,053,504
Unbilled at year end	638,775	635,384
Less: allowance for doubtful accounts	<u>(3,000)</u>	<u>(3,000)</u>
Net user fees receivable	<u>\$ 1,617,844</u>	<u>\$ 1,685,888</u>

4. INTERGOVERNMENTAL

The June 30, 2021 and June 30, 2020 balances represent reimbursements requested from Federal and State agencies for expenses incurred in fiscal 2021 and fiscal 2020, respectively.

5. INVENTORY

Inventory at June 30 consisted of the following:

	<u>2021</u>	<u>2020</u>
Fuel stock	\$ 14,870	\$ 13,409
Chemicals	62,561	40,482
Miscellaneous	<u>46,886</u>	<u>47,047</u>
Total	<u>\$ 124,317</u>	<u>\$ 100,938</u>

7. DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources represent the consumption of net position by the Fund that are applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions and OPEB, in accordance with GASB Statement No. 68 and 75 are more fully discussed in the corresponding pension and OPEB notes.

8. CAPITAL LEASE OBLIGATIONS

In 2018, the Fund entered into a lease agreement as the lessee for the purpose of financing the acquisition of a Wastewater pump truck. This lease agreement qualifies as a capital lease obligation for accounting purposes (even though the agreement includes a clause that allows for cancellation of the lease in the event the City does not appropriate funds in future years) and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date of the leases.

The Fund had the following lease outstanding at June 30:

	<u>2021</u>	<u>2020</u>
Capital lease for a 2018 International Wastewater pump truck. The lease payments are made monthly for a total of \$21,744 annually including interest at 3.76% annually, maturing on February 20, 2025.	\$ <u>79,727</u>	\$ <u>101,471</u>
Total lease payments	79,727	101,471
Less: amount that represents interest	<u>(5,360)</u>	<u>(8,537)</u>
Total lease obligation	74,367	92,934
Less: amount due within one year	<u>(19,277)</u>	<u>(18,567)</u>
Capital lease obligation, net of current portion	<u>\$ 55,090</u>	<u>\$ 74,367</u>

The following is an analysis for the leased assets included in capital assets at June 30:

	<u>2021</u>	<u>2020</u>
Machinery, vehicles and equipment	\$ 156,140	\$ 156,140
Less: accumulated depreciation	<u>(36,433)</u>	<u>(26,023)</u>
Equipment under capital leases, net	<u>\$ 119,707</u>	<u>\$ 130,117</u>

9. NOTES PAYABLE

The Fund had State Revolving Loans from the State of Vermont EPA Clean Water State Revolving Fund outstanding at year-end. The notes will be permanently financed upon completion.

Notes payable activity for the years ended June 30 consisted of the following:

<u>Description</u>	Series		<u>Amount Issued</u>	Balance at			<u>Balance at</u>
	<u>Maturities Through</u>	<u>Interest Rate</u>		<u>7/1/20</u>	<u>Additions</u>	<u>Repayments</u>	
SRL RF1-187	8/1/2035	0.00%	\$ 997,204	\$ 457,289	\$ -	\$ -	\$ 457,289
SRL RF1-196	8/1/2038	0.00%	1,138,020	400,741	399,144	-	799,885
SRL RF1-247	8/1/2028	0.00%	463,000	108,658	213,265	-	321,923
SRL RF1-254	1/1/2034	0.00%	224,120	23,080	122,359	-	145,439
SRL RF1-246	7/1/2040	0.00%	2,689,000	94,556	2,401,494	-	2,496,050
SRL RF1-248	3/1/2041	0.00%	1,663,802	77,475	392,643	-	470,118
SRL RF1-249	8/1/2040	0.00%	425,000	-	349,592	-	349,592
SRL RF1-268	5/1/2035	0.00%	266,403	-	142,204	-	142,204
SRL RF1-279	5/1/2035	0.00%	350,000	-	53,763	-	53,763
				<u>\$ 1,161,799</u>	<u>\$ 4,074,464</u>	<u>\$ -</u>	<u>\$ 5,236,263</u>

<u>Description</u>				Balance at			<u>Balance at</u>
				<u>7/1/19</u>	<u>Additions</u>	<u>Repayments</u>	
SRL RF1-187	8/1/2035	0.00%	\$ 997,204	\$ 419,980	\$ 37,309	\$ -	\$ 457,289
SRL RF1-196	8/1/2038	0.00%	1,138,020	220,496	180,245	-	400,741
SRL RF1-246	8/1/2033	0.00%	195,000	-	94,556	-	94,556
SRL RF1-247	8/1/2028	0.00%	463,000	-	108,658	-	108,658
SRL RF1-248	4/1/2034	0.00%	170,704	-	77,475	-	77,475
SRL RF1-254	1/1/2034	0.00%	224,120	-	23,080	-	23,080
				<u>\$ 640,476</u>	<u>\$ 521,323</u>	<u>\$ -</u>	<u>\$ 1,161,799</u>

10. LONG-TERM DEBT

Revenue Bonds (Direct borrowing) - The Fund issues bonds where the City pledges the Fund's revenues to pay the debt service.

Loans Payable (Direct placement) - The Fund has special revolving loans payable with the State of Vermont.

Revenue bonds and loans payable outstanding at June 30 are as follows:

<u>Description</u>	<u>Original Issue Amount</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s)</u>	<u>Amount</u>
				<u>Outstanding as of 6/30/21</u>
State of VT-EPA '06 Series 1 (Siphon)	\$ 1,650,000	2/1/2027	0.00%	\$ 607,862
State of VT-EPA '09 Series I (Turbo)	120,000	10/1/2031	0.00%	36,757
State of VT-EPA '01 Series 1 (Digester)	2,500,000	8/1/2027	0.00%	723,451
VT Municipal Bond Bank '14 Series 1	14,645,620	11/15/2033	0.643-4.723%	9,519,653
Total				<u>\$ 10,887,723</u>

Description	Original Issue Amount	Serial Maturities Through	Interest Rate(s)	Amount Outstanding as of 6/30/20
State of VT-EPA '06 Series 1 (Siphon)	\$ 1,650,000	2/1/2027	0.00%	\$ 607,862
State of VT-EPA '09 Series I (Turbo)	120,000	10/1/2031	0.00%	36,757
State of VT-EPA '01 Series 1 (Digester)	2,500,000	8/1/2027	0.00%	723,451
VT Municipal Bond Bank '14 Series 1	14,645,620	11/15/2033	0.643-4.723%	10,251,934
Total				\$ <u>11,620,004</u>

Maturities are as follows:

Fiscal Year	Direct Borrowing		Direct Placement		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 196,421	\$ -	\$ 732,281	\$ 369,440	\$ 928,702	\$ 369,440
2023	200,351	-	732,281	345,881	932,632	345,881
2024	204,357	-	732,281	320,766	936,638	320,766
2025	208,444	-	732,281	294,273	940,725	294,273
2026	212,613	-	732,281	266,546	944,894	266,546
2027 - 2031	339,120	-	3,661,405	885,825	4,000,525	885,825
2032 - 2034	6,764	-	2,196,843	144,725	2,203,607	144,725
	\$ <u>1,368,070</u>	\$ <u>-</u>	\$ <u>9,519,653</u>	\$ <u>2,627,456</u>	\$ <u>10,887,723</u>	\$ <u>2,627,456</u>

Changes in long-term debt and other obligations are as follows for the year ended June 30:

	2021					
	Total Balance 7/1/2020	Additions	Reductions	Total Balance 6/30/2021	Less Current Portion	Equals Long-Term Portion
	Direct borrowing revenue bonds	\$ 10,251,934	\$ -	\$ (732,281)	\$ 9,519,653	\$ (732,281)
Direct placement state revolving loans	1,368,070	-	-	1,368,070	(196,421)	1,171,649
Capital leases	92,934	-	(18,567)	74,367	(19,277)	55,090
Net pension liability	918,549	43,237	-	961,786	-	961,786
Total OPEB liability	111,656	6,004	-	117,660	-	117,660
Compensated absences	109,813	13,716	-	123,529	(123,529)	-
Total	\$ <u>12,852,956</u>	\$ <u>62,957</u>	\$ <u>(750,848)</u>	\$ <u>12,165,065</u>	\$ <u>(1,071,508)</u>	\$ <u>11,093,557</u>

	2020					
	Total Balance 7/1/2019	Additions	Reductions	Total Balance 6/30/2020	Less Current Portion	Equals Long-Term Portion
	Direct borrowing revenue bonds	\$ 10,984,215	\$ -	\$ (732,281)	\$ 10,251,934	\$ (732,281)
Direct placement state revolving loans	1,533,322	-	(165,252)	1,368,070	(168,558)	1,199,512
Capital leases	110,817	-	(17,883)	92,934	(18,567)	74,367
Net pension liability	838,441	80,108	-	918,549	-	918,549
Total OPEB liability	64,364	47,292	-	111,656	-	111,656
Compensated absences	117,326	103,978	(111,491)	109,813	(109,813)	-
Total	\$ <u>13,648,485</u>	\$ <u>231,378</u>	\$ <u>(1,026,907)</u>	\$ <u>12,852,956</u>	\$ <u>(1,029,219)</u>	\$ <u>11,823,737</u>

The revenue bonds have been issued pursuant to General Bond Resolutions and are collateralized by a pledge of revenues. Pursuant to the General Bond Resolutions, revenues (as defined) means all rates, fees, charges or other income and includes rentals, proceeds of insurance or condemnation or other disposition of assets, proceeds of bonds or notes and earnings from the investment of revenues.

11. RESTRICTED NET POSITION

The Fund established a contingency reserve fund for the Series 2014 bonds pursuant to the General Bond Resolution adopted December 9, 2013. For the years ended June 30, 2021 and 2020, restricted net position was \$1,433,365 and \$1,508,583, respectively.

12. RETIREMENT BENEFITS AND RESULTING NET PENSION LIABILITY

Defined Benefit Plan: All full-time employees of the Fund participate in the City of Burlington Employees' Retirement System (the Plan), a cost-sharing, single-employer defined benefit plan. The Fund follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, with respect to the Plan.

Plan Description: Substantially all employees of the Fund are members of the Plan and are classified as Class B members. Eligible employees must participate in the Plan. The City Council has the authority to amend the benefit terms of the Plan by enacting ordinances and sending them to the Mayor for approval.

At June 30, 2021 and 2020, the Fund reported a net pension liability for its proportionate share of the City's net pension liability per GASB 68. The net pension liability was measured as of June 30, 2020. At June 30, 2021 and 2020, the Fund's portion was 0.98% and 1.10%, respectively. For more information on the City's plan, see the City of Burlington, VT Annual Comprehensive Financial Report.

Benefits Provided: Class B retirees who has attained the age of 55 or older and completed 7 or more years of creditable service (age and years of creditable service vary depending on agreements) are eligible for benefits based on average final earnable compensation (AFC) during either the highest 5 or 3 non-overlapping 12-month periods depending on hiring dates. For details on agreements and AFC, see the City of Burlington, VT Annual Comprehensive Financial Report.

Contributions: The Fund contributed \$102,185 and \$104,770, for the fiscal years ended June 30, 2021 and 2020, respectively. Beginning in FY19, the City is using the direct rate smoothing method for funding. The Fund's contributions were based on full time equivalents and wages. Employer and employee contribution rates are governed by the respective collective bargaining agreements. The employer and plan members share the cost of benefits. The plan members contribute 5.51% of the employee's base pay.

Summary of Significant Accounting Policies: For purposes of measuring the net pension liability, deferred outflows of resources and deferred (inflows) of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan was used as reported on the City of Burlington, VT Annual Comprehensive Financial Report. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Actuarial Assumptions: The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Payroll growth	3.00% per year
Investment rate of return	7.30% (Prior: 7.40%)

Mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table, projected to the valuation date with Scale MP-2020.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2012 through June 30, 2017, with discount rate updated from 7.40% to 7.30%

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Core Equity	30.00%	7.50%
SMID Cap Core Equity	18.00%	10.20%
International Equity	10.00%	5.50%
Emerging Markets Equity	10.00%	10.10%
Private Equity	2.00%	10.90%
Real Estate/Timber	10.00%	8.40%
Core Fixed Income	20.00%	3.30%
Total	<u>100.00%</u>	

Nominal long-term expected rates of return for these asset classes are equal to the sum of the above expected long-term real rates and the expected long-term inflation rate of 2.60%.

Discount Rate: The discount rate used to measure the total pension liability was 7.30%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the fiduciary net position was projected to be available to make all future benefit payments to the current plan members.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Fund's proportionate share of the net pension liability calculated using the discount rate, as well as what the Fund's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

Fund's net pension liability as of:	1% Decrease	Current Discount Rate	1% Increase
June 30, 2021	\$ 1,267,449	\$ 961,786	\$ 699,746
June 30, 2020	\$ 1,237,456	\$ 918,549	\$ 642,978

Deferred Outflows and (Inflows) of Resources: The Fund recognized pension expense of \$146,583 and \$163,100 for the fiscal years ending June 30, 2021 and 2020, respectively. Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized in pension expense for of subsequent fiscal year. Other amounts reported as deferred outflows and (inflows) of resources related to pension are recognized in pension expense in future fiscal years as follows:

Amortization year:	As of June 30, 2021	As of June 30, 2020
2021	\$ -	\$ (26,085)
2022	35,801	29,496
2023	15,777	11,749
2024	29,727	9,846
2025	20,373	-
	<u>\$ 101,678</u>	<u>\$ 25,006</u>

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued City of Burlington Annual Comprehensive Financial Report. No separate stand-alone report is issued for the pension system.

Further disclosures about the Pension Plan are included in the City of Burlington, Vermont's Annual Comprehensive Financial Report.

13. OTHER POST-EMPLOYMENT BENEFITS (OTHER THAN PENSION) – OPEB GASB 75

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred (inflows) of resources, and expenses. This Statement identifies the methods and assumptions that are required to be used to project benefit payments, discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

General Information about the OPEB Plan

Plan Description

In addition to providing the pension benefits described, the City provides postemployment healthcare and life insurance benefits for retired employees through the City's plan.

In addition, the City allows certain retired employees to purchase health insurance through the City at the City's group rates. GASB No. 75 recognizes this as an implied subsidy and requires accrual of this liability.

Benefits Provided

The City provides medical, prescription drug, mental health/substance abuse and life insurance to retirees and their covered dependents. All active employees who retire from the City and meet the eligibility criteria may receive these benefits.

Funding Policy

The Plan Sponsor's Funding Policy is to contribute the employer portion of retiree benefit payments annually.

Contributions

Employer and employee contribution rates are governed by the respective collective bargaining agreements. The OPEB plan is currently funded on a pay-as-you-go basis. The employer and plan members share the cost of benefits. The plan members contribute 5.20% of the monthly premium cost, depending on the plan in which they are enrolled. The Fund contributes the balance of the premium costs.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%, per year. This assumption is consistent with the Social Security Administration's current best estimate of the ultimate long-term (75-year horizon) annual percentage increase in CPI, as published in the 2019 OASDI Trustees Report.
Rate of annual aggregate payroll growth	2.60%, per year
Discount rate	2.16% as of June 30, 2021 (Prior: 2.21%)
Healthcare cost trend rates	6.50% in 2019, reducing by 0.2% each year to an ultimate rate of 4.60% per year rate for 2029 and later

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2017.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.16% and 2.21%, for the years ending June 30, 2021 and 2020, respectively.

Since the OPEB plan is not funded, the selection of the discount rate is consistent with the GASB 75 standards linking the discount rate to the 20- year AA municipal bond index for unfunded OPEB plans. The discount rate used for the valuation is equal to the published Bond Buyer general obligation 20 year-Bond Municipal Index effective as of June 30, 2021 and 2020.

Total OPEB Liability

The Fund's OPEB liability was \$117,660 and \$111,656 as of June 30, 2021 and June 30, 2020, respectively. The OPEB liability as of June 30, 2021 and June 30, 2020 were determined by an actuarial valuation as of July 1, 2019.

Changes in the Total OPEB Liability

Detailed information about the changes in total OPEB liability is available in the separately issued City of Burlington, Vermont's Annual Comprehensive Financial Report.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
2021 Total OPEB liability	\$134,683	\$117,660	\$103,566
2020 Total OPEB liability	\$127,735	\$111,656	\$98,382

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
2021 Total OPEB liability	\$105,777	\$117,660	\$132,235
2020 Total OPEB liability	\$101,261	\$111,656	\$124,321

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

For the years ended June 30, 2021 and 2020, the Fund recognized an OPEB expense of \$11,796 and \$10,033, respectively. The remaining amounts reported as deferred outflows of resources and deferred (inflows) of resources related to OPEB will be recognized in OPEB expense over the next 6 years.

Further disclosures about the OPEB Plan are included in the City of Burlington, Vermont's Annual Comprehensive Financial Report.

14. DEFERRED COMPENSATION PLAN

The Department offers its employees a deferred compensation plan administered through the City in accordance with Section 457 of the Internal Revenue Code (IRC). The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or for "unforeseeable emergency" as defined by IRS guidelines. The assets of the plan are not included in the accompanying financial statements.

15. RELATED PARTY TRANSACTIONS

During the year departments of the City bill the Fund pursuant to City ordinances and for services received. Related party transaction for the year ended June 30 was as follows:

<u>Entity Paid by Wastewater</u>	<u>Description of Service</u>	<u>2021</u>	<u>2020</u>
General Fund:			
Public Work's Department	Administrative costs for wastewater division operations	\$ 72,016	\$ 69,175
Public Work's Department	Facility charges	8,800	8,800
Public Work's Department	Equipment maintenance	69,532	63,986
Public Work's Department	Excavation fees	26,000	26,000
Public Work's Department	Street services	105,820	155,472
Clerk/Treasurer's Office	Payment in lieu of taxes (PILOT) ⁽¹⁾	1,177,655	1,136,223
Clerk/Treasurer's Office	Administration and risk management fees, approved via budget process	174,972	167,104
City Attorney	Legal fees	17,314	18,491
Water	Billing services	235,238	184,242
Stormwater	Stormwater usage	9,995	9,995
Telecom	Data, internet, phone usage	66,522	67,560
Burlington Electric Department	Electricity usage	418,163	445,116
	Total related party transactions	<u>\$ 2,382,027</u>	<u>\$ 2,352,164</u>

⁽¹⁾ The Fund's physical plant is exempt from property taxes. The PILOT is determined annually by the City Clerk/Treasurer's office per City ordinance. The calculation is based on the capital investment of the Fund.

16. COMMITMENTS AND CONTINGENCIES

Grants - Amounts received or receivable from grantor agencies, including possible grant assurance violations at the Fund, are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenses which may be disallowed by the grantor cannot be determined at this time, although the Fund expects such amounts, if any, to be immaterial.

17. RISK MANAGEMENT

The Fund is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employee; and natural disasters. The Fund manages these risks through a combination of commercial insurance packages and through the City's risk management program.

The City carries commercial insurance to cover its property, casualty and general liability risks. Commercial property insurance, inland marine and employment practices insurance coverage is provided by Travelers and is offered on a guaranteed cost basis with a deductible of \$50,000.

All of the City’s self-insurance programs are administered by a third-party administrator, which processes and pays the claims and then bills the City for the amount of the total claims paid.

The costs associated with these self-insurance plans are budgeted in the City’s General Fund and allocated to the Fund based on the following:

<u>Type</u>	<u>Allocation Method</u>
Worker's compensation	50% Experience and 50% exposure
Health	Number of employees and levels of coverage
Dental	Actual claims and administrative fees paid
Liability	Adjusted operating budgets
Property	Insured value of city structures

The City has elected to pay actual unemployment claims instead of enrolling in an unemployment insurance program. The Fund did not pay any unemployment claims during fiscal year 2021 or 2020.

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 23, 2022, which is the date the financial statements were available to be issued.

19. NEW ACCOUNTING PRONOUNCEMENTS

The Fund is currently evaluating the impact of the implementation of GASB No. 87 on its financial statements.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*, effective for the Fund beginning with its fiscal year ending June 30, 2022. This statement establishes new reporting and disclosure requirements, including the recording of various operating leases in the financial statements.

**CITY OF BURLINGTON, VERMONT
BURLINGTON WASTEWATER
SCHEDULE OF PROPORTIONATE SHARE (GASB 68)
OF THE NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION**

(Unaudited)

Burlington Employees' Retirement System						
Fiscal Year	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Total Pension Liability
June 30, 2021	June 30, 2020	0.98%	\$961,786	\$ 825,508	116.51%	66.37%
June 30, 2020	June 30, 2019	1.10%	\$918,549	\$ 955,901	96.09%	70.00%
June 30, 2019	June 30, 2018	1.11%	\$838,441	\$ 880,025	95.27%	71.41%
June 30, 2018	June 30, 2017	0.76%	\$664,669	\$ 854,549	77.78%	66.77%
June 30, 2017	June 30, 2016	1.41%	\$1,256,143	\$ 863,280	145.51%	63.75%
June 30, 2016	June 30, 2015	1.26%	\$856,352	\$ 859,294	99.66%	70.35%
June 30, 2015	June 30, 2014	0.99%	\$532,524	\$ 859,294	61.97%	75.00%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

**CITY OF BURLINGTON, VERMONT
BURLINGTON WASTEWATER**

**SCHEDULE OF PENSION CONTRIBUTIONS (GASB 68)
REQUIRED SUPPLEMENTARY INFORMATION**

(Unaudited)

Burlington Employees' Retirement System

Fiscal Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2021	\$ 102,185	\$ 102,185	\$ -	\$ 819,206	12.47%
June 30, 2020	\$ 104,770	\$ 104,770	\$ -	\$ 825,508	12.69%
June 30, 2019	\$ 111,498	\$ 111,498	\$ -	\$ 955,901	11.66%
June 30, 2018	\$ 98,654	\$ 98,654	\$ -	\$ 880,025	11.21%
June 30, 2017	\$ 128,908	\$ 128,908	\$ -	\$ 854,549	15.08%
June 30, 2016	\$ 111,067	\$ 111,067	\$ -	\$ 863,280	12.87%
June 30, 2015	\$ 88,252	\$ 88,252	\$ -	\$ 859,294	10.27%

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

**CITY OF BURLINGTON, VERMONT
BURLINGTON WASTEWATER**

**SCHEDULE OF PROPORTIONATE SHARE OF TOTAL OPEB LIABILITY (GASB 75)
REQUIRED SUPPLEMENTARY INFORMATION**

(Unaudited)

City OPEB plan						
Fiscal Year	Measurement Date	Proportion of the Total OPEB Liability	Proportionate Share of the Total OPEB Liability	Covered Payroll	Total OPEB Liability as a Percentage of Covered Payroll	
June 30, 2021	June 30, 2021	1.6958%	\$ 117,660	\$ 732,574	16.06%	
June 30, 2020	June 30, 2020	1.6958%	\$ 111,656	\$ 714,010	15.64%	
June 30, 2019	June 30, 2019	1.2065%	\$ 98,832	\$ 696,282	14.19%	
June 30, 2018	June 30, 2018	1.2065%	\$ 64,364	\$ 678,637	9.48%	

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.