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# **TOWN OF COLUMBIA**

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Annual Financial Statements

For the Year Ended June 30, 2022

**TOWN OF COLUMBIA**

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## INDEPENDENT AUDITOR'S REPORT

To the Financial Planning and Allocation Commission of  
The Town of Columbia, CT

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Columbia, CT, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Columbia, CT's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Columbia, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Columbia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Columbia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town of Columbia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Columbia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the pension and OPEB schedules on pages 4-12 and 45-48 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Columbia's basic financial statements. The accompanying

combining and individual nonmajor fund financial statements, and other supplemental schedules, and schedule of expenditures of state awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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, other supplemental schedules, and expenditures of state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

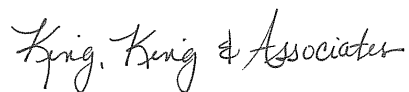
### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2023, on our consideration of the Town of Columbia'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 Columbia'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 Columbia's internal control over financial reporting and compliance.



King, King & Associates, CPAs  
Winsted, CT  
January 30, 2023

**TOWN OF COLUMBIA**  
Management's Discussion and Analysis  
June 30, 2022

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As management of the Town of Columbia, CT, we offer readers of the Town of Columbia, CT's financial statements this narrative overview and analysis of the financial activities of the Town of Columbia, CT for the fiscal year ended June 30, 2022.

***Financial Highlights***

- The assets of the Town of Columbia, CT exceeded its liabilities at the close of the most recent fiscal year by \$22,550,934 (*net position*). Of this amount, \$5,839,323 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. Restricted Net Position is \$193,204. The largest components of restricted fund balance are \$55,636 for Small Cities Housing Rehabilitation and \$79,806 for Land Protection. The remainder of the government's net position is invested in capital assets.
- As of the close of the current fiscal year, the Town of Columbia, CT's governmental funds reported combined ending fund balances of \$7,377,890, an increase of \$576,577 in comparison with the prior year. The increase is primarily attributable to the under-spending of the budgeted operating and capital expenditures as well as the higher than budgeted revenue received by the town in property tax collection, government services and municipal aid. Of this amount, \$4,532,708 is available in the Town's General Fund for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, assigned and unassigned fund balance for the General Fund was \$5,504,109 or 31% percent of total budgeted General Fund expenditures. This fund balance represents the Town's reserve for future capital projects, as all assets of the capital projects fund have been obligated to finance current projects.

***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to the Town of Columbia, CT's basic financial statements. The Town of Columbia, CT's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The 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 Columbia, CT's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of Columbia, 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 of whether the financial position of the Town of Columbia, CT is improving or deteriorating.

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

**TOWN OF COLUMBIA**  
Management's Discussion and Analysis  
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Both of the government-wide financial statements present functions of the Town of Columbia, CT that are principally supported by tax revenues, grants and intergovernmental revenues (*governmental activities*). The governmental activities of the Town of Columbia, CT include general government, public safety, highways, sanitation, health and welfare, recreation, and education. The town does not report any funds that carry-on business-type activities.

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

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Columbia, CT, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Columbia, CT can be divided into two categories: governmental 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 Columbia, CT maintains Twenty (21) 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 also reports the Capital Improvement Fund as a major fund.

The Town of Columbia, 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 15-19 of this report.

**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 Columbia, CT's own programs.

The basic fiduciary fund financial statements can be found on pages 20-21 of this report.

**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 22-44 of this report.



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Management's Discussion and Analysis  
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**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 Columbia, CT, assets exceeded liabilities by \$22,550,934 at the close of the most recent fiscal year.

**Summary Statement of Net Position**  
**June 30**

	2022	2021
Current and Other Assets	\$ 8,905,270	\$ 8,885,818
Capital Assets	15,610,902	15,837,912
Total Assets	<u>\$ 24,516,172</u>	<u>\$ 24,723,730</u>
Deferred Outflows of Resources	<u>138,413</u>	<u>110,746</u>
Other Liabilities	\$ 1,367,474	\$ 1,935,941
Long-Term Liabilities Outstanding	600,368	636,318
Total Liabilities	<u>1,967,842</u>	<u>2,572,259</u>
Deferred Inflows of Resources	<u>135,809</u>	<u>107,882</u>
Net Position:		
Net Investment in Capital Assets	15,592,917	15,758,582
Restricted	193,204	215,180
Unrestricted	6,764,813	6,180,573
Total Net Position	<u>\$ 22,550,934</u>	<u>\$ 22,154,335</u>

69% of the Town's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

1% of the Town's net position is subject to external restrictions on how it may be used and is therefore presented as restricted net position.

The remainder of the Town's net position (30%) is considered unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Columbia, CT is able to report that all categories of net position increased by \$396,599 during this fiscal year. This result is primarily attributable to the depreciation of prior capital projects exceeding the investment into current capital projects, which offset the increases at the fund basis level.

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Management's Discussion and Analysis  
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Summary Statement of Changes in Net Position  
Years Ended June 30

<b>Revenues:</b>	2022	2021
<i>General Revenues:</i>		
Property Taxes	\$ 14,741,793	\$ 14,910,227
Unrestricted Investment Income	9,501	6,166
Grants and Contributions	23,236	22,521
Other Income	73,767	14,874
<i>Program Revenues:</i>		
Charges for Services	464,992	481,464
Operating Grants and Contributions	4,355,259	5,810,031
Capital Grants and Contributions	-	13,412
<b>Total Revenues</b>	<b>19,668,548</b>	<b>21,258,695</b>
<b>Expenses:</b>		
<i>Governmental Activities:</i>		
General Government	1,786,472	1,751,268
Health and Human Services	318,699	312,075
Public Safety	741,379	601,558
Public Works	999,664	1,248,401
Building and Development Services	362,233	350,097
Recreation	821,902	639,501
Education	14,243,450	16,066,772
Interest on Long-term Debt	1,150	7,250
<b>Total Expenses</b>	<b>\$ 19,274,949</b>	<b>\$ 20,976,922</b>
Change in Net Position	396,599	281,773
Beginning Net Position	22,154,335	21,872,562
<b>Ending Net Position</b>	<b>\$ 22,550,934</b>	<b>\$ 22,154,335</b>

**Governmental activities.** Governmental activities increased the Town of Columbia, CT's net position by \$396,599.

**Key elements of the activities are as follows:**

- Seventy percent (75%) of the revenues of the Town were derived from property taxes, twenty two percent (22%) from grants and contributions, two percent (2%) from program revenues, and less than one percent (1%) from unrestricted investment income.

**Major revenue factors included:**

- The Town collected a surplus in the following budgeted revenue lines:
  - \$3,050 in Veterans Tax Grant
  - \$34,753 in Real Estate Conveyance Fees
  - \$6,442 in Recording Fees
  - \$2,340 in Photocopy Fees
  - \$2,643 in Town Clerk Fees

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Management's Discussion and Analysis  
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\$1,208 in Senior Center Transportation Donations  
\$1,625 in Boating Fees  
\$4,807 in Transfer Station Fees  
\$5,950 in Transfer Station Stickers  
\$3,400 in Inland Wetland Fees  
\$33,345 in Building, Mechanics & Septic Permits

- The Town had a net revenue surplus of \$521,195 which added to the Town's General Fund. Of this amount, the Town collected a surplus of \$368,010 in property taxes (current, outstanding, delinquent, interest, etc.).
- The State of Connecticut awarded the Town \$55,354 less in the Education Equalization Grant (ECS aid to towns) than what was locally budgeted due to a state adjustment once the state finalized the grant. Also, the State awarded the Town an additional \$52,499 for the Special Education Grant due to an increase in the projected Special Education costs reported for the Columbia School District in the 2021-2022 school year.
- The Town is Showing a \$26,672 in the Preschool Tuition line. The School District re-evaluated the Preschool needs and added an additional section as well as adjusted the tuition costs.
- The Town had a deficit in the General Fund Interest on Investment line. The total deficit for 2021-2022 was \$2,105. This was a considerable improvement from 2020-2021 interest deficit which was \$80,649. The interest rate on investments dropped significantly due to the COVID pandemic. The budgeted interest was adjusted in 2021-2022 but based on the monthly statements, the interest earnings started to rebound and improve during the year.

For Governmental Activities, 72% of the Town's expenses relate to education, 5% relates to public works, 5% relate to public safety and health and human services, and the remaining 18% relates to government, building and development services, recreation, and other areas.

**Major expense factors include:**

- **The following capital projects:**
  - Town Road Resurfacing - \$20,900
  - Engineering Fees for Hunt Road Culvert- \$47,375
  - Rec Area Improvements – \$114,829
    - Picnic Tables - \$16,401
    - Maintenance Garage - \$79,738
    - Dugout Improvements - \$7,500
    - Benches - \$4,895
    - Disc Golf preparations - \$6,295
  - Revaluation - \$92,546
  - DPW Equipment: Arm Mower - \$139,159
  - Facilities HVAC Improvements/Repairs - \$26,774
  - Hazardous Tree Removal - \$66,677
  - Open Space Acquisition - \$47,500
  - Horace W. Porter Track Improvements - \$4,903

**TOWN OF COLUMBIA**  
Management's Discussion and Analysis  
June 30, 2022

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- The Town has paid off all its debt. There were 3 loans for LED lighting at Town Hall, the Senior Center and Horace W. Porter School. The Town's loans were paid off in January 2022. The Columbia Board of Education will pay off the loan for Horace W. Porter by September 2022. The Town does not have any General Obligation Bonds as a liability in 2021-2022.
- The Town's Operating Budget had surplus funds of \$285,285 that were returned to the General Funds at year end. Various departments had savings in their budget lines; such as group health insurance and employee benefits, various professional/technical lines, legal and contingency.
- As of June 30, 2022, the Columbia Board of Education had excess funds in its budget totaling \$91,650. The full amount of the year-end excess was returned to the Town of Columbia's General Fund. There was not an appropriation to the Board of Education's Non-Lapsing Account as of June 30, 2022. Currently, that fund has \$300,000 available for any Board of Education unanticipated costs. After the year-end budget line transfers, the Board of Education showed excess funding in the tuition budget.
- The Columbia Board of Education looked within the 2021-2022 budget and used funds from other expenditure lines to cover the under-budgeting in other lines due to changes in the planned budget. The savings shown in various lines were also used to cover all projected budget line deficits due to staff changes as well as changes in the Regular Education and the Special Education services. Also, with the projected excess in various lines, the Board of Education was able to purchase needed building improvements and repairs, new technology as well as startup costs for a new Technology program and a STEM program.
- In June 2021, the Town of Columbia received its first tranche of the American Relief Funds. The total received was \$795,959 and was used to fund a variety of projects. Below is the status of 2021-2022 American Relief Funds as well as year-to-date spending as of 06/30/22:
  - Rec Park Facility Building - \$182,884 To be completed in 2022-2023 (Budget is \$225,000)
  - Public Works Portable Radios - \$38,707 Project completed.
  - CVFD Exhaust System - \$12,000 Project completed.
  - CVFD Audio/Visual System – To be completed in 2022-2023 (Budget is \$27,627)
  - CVFD Portable Radios - \$80,162 Project completed.
  - CVFD HVAC System - \$18,832 Project completed.
  - CVFD VOIP Telephone System - \$11,055 Project completed.
  - Moor's Indian School Paint & Repair - \$14,850 Project completed.
  - Town Hall HVAC System - \$44,495 Project completed.
  - Senior Center Generator -To be completed in 2022-2023 (Budget is \$25,000)
  - Murphy House Bathroom Upgrades To be completed in 2022-2023 (Budget is \$20,000)
  - DPW Dump Truck – ordered Budget cost is \$245,000.
  - DPW Site Survey & Site Plan - To be completed in 2022-2023 (Budget is \$20,000)

**Financial Analysis of the Government's Funds**

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

**TOWN OF COLUMBIA**  
Management's Discussion and Analysis  
June 30, 2022

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**Governmental Funds.** The focus of the Town of Columbia, 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 Columbia, 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 Columbia, CT's governmental funds reported combined ending fund balances of \$7,377,890, an increase of \$576,577 in comparison with the prior year. Sixty-one (61%) 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 Columbia, CT. At the end of the current fiscal year, assigned and unassigned fund balance of the General Fund was \$5,504,109. This represents an increase of \$432,218. The increase is due to the collection of revenue at a higher than budgeted rate on the Municipal Government side as well as a lower than anticipated spending by both the Municipal Government and the Columbia Board of Education. Also, the Town of Columbia received the first tranche of \$795,959 in American Relief Funds to assist in the recovery from the COVID pandemic as well as be used to fund a variety of government services projects as listed above.

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 25% percent of total General Fund expenditures.

**General Fund Budgetary Highlights**

- The Operating Budget of the Town of Columbia's Municipal Government (including Contingency) was underspent by \$285,285. In addition, the Municipal Government ended the year with \$14,491 in year end encumbrances for open expenditures to the 2021-2022 fiscal year.
- The Operating Budget of the Board of Education was spent in accordance with the adopted budget and was under spent by \$91,650. All of the excess funds were returned to the Town's General Fund and no funds were added to the Board of Education's Non-Lapsing Account which currently has a balance of \$300,000. In addition to the funds returned to the Town, there were \$261,154 in encumbrances at year end for the open projects and expenditures for the Horace W. Porter School that applied to the 2021-2022 school year.
- During the 2021-2022 Fiscal Year, \$55,441 was approve and transferred from Contingency to fund various lines in the Town's operating budget: \$2,200 to cover Legal notices for the Town's Charter revision, \$879 for Tax Collector equipment, \$9,000 for repairs to Beach Concrete Dock, \$6,000 for CVFD grant writing, \$1,500 for telephone service at the Murphy House, \$2,002 for Elderly Services additional costs for salaries, \$17,300 for Inland Wetland salaries, \$6,200 for Animal Control salaries and costs, \$1,940 for Building & Land Use Permit Link Software costs, \$920 for Marine Patrol boat and dock repairs and \$7,500 to cover separation pay costs.
- In the 2021-2022, the Town approved with a Town Meeting a \$75,000 General Fund Transfer to the Capital Reserve Fund to build a Maintenance Garage at Rec Park.

**TOWN OF COLUMBIA**  
 Management's Discussion and Analysis  
 June 30, 2022

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**Capital Asset and Debt Administration**

**Capital assets.** The Town of Columbia, CT's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$15,610,902 (net of accumulated depreciation). This investment in capital assets includes land and buildings, vehicles, machinery, and equipment.

	2022	2021
Land and Infrastructure	\$ 3,886,803	\$ 3,914,299
Construction in Progress	1,019,059	724,148
Buildings and Improvements	9,594,691	10,052,844
Vehicles	544,132	642,707
Machinery and equipment	566,217	503,914
Total	\$ 15,610,902	\$ 15,837,912

Additional information on the Town of Columbia, CT's capital assets can be found in Note 4 on page 31 of this report.

**Major capital asset events during the 2021-2022 fiscal year included the following appropriations:**

- Funding for Road Resurfacing - \$270,000
- Reduction in funding for Hennequin Road Drainage - \$(60,000)
- Funding for Box Culvert Repair at Hunt Road - \$125,000
- Funding for DPW Equipment - \$120,500
- Funding for DPW Transfer Station Equipment - \$5,000
- Reduction in funding for Facilities Equipment – \$(4,500)
- Funding for Bridge on Hop River Road -\$55,974
- Funding for Hazardous Tree Removal - \$100,000
- Funding to Repair Playground Blacktop at Horace W. Porter School - \$20,000
- Funding for Horace W. Porter School Floor Replacement - \$5,000
- Funding for Horace W. Porter Track Upgrade - \$35,000

**Long-term debt.**

At the end of the current fiscal year the Town had a total outstanding note payable of \$4,822.

The loans on the Town's LED lighting projects were paid off in January 2022. The Columbia Board of Education LED lighting loan will be paid off by September 2022. The lease payment on the one Town vehicle will be paid off in July 2023. There was a decrease in the GASB 70 Other Post Employee Benefit (OPEB) liability calculated by the Town's actuarial firm. There was also a decrease in the accumulated employee sick and vacation due to payouts to former public works employees and an increase in new staff who are not eligible for time off payouts.

**TOWN OF COLUMBIA**  
Management's Discussion and Analysis  
June 30, 2022

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The Town of Columbia, CT has the following obligations:

	<u>2022</u>	<u>2021</u>
Note Payable	\$ 4,822	\$ 60,138
Other Post-Employment Benefits	440,310	478,509
Capital Lease	13,163	19,192
Other Obligations	142,073	191,189
Total	<u>\$ 600,368</u>	<u>\$ 749,028</u>

Additional information on the Town of Columbia, CT's long-term debt can be found in Note 6 on pages 32-34 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, and has been the case in previous cycles. The State and the nation are in the midst of an economic uncertainty which has affected the amount of intergovernmental revenues that the Town will receive in fiscal year 2022-2023 and beyond. It is expected that revenues for fiscal year 2022-2023 will remain fairly static or decrease nominally.

- State and federal funding is expected to decrease or remain stable.
- There remains considerable uncertainty with respect to petroleum-based fuel costs as well as health insurance costs.

These factors were considered in preparing the Town of Columbia, CT's budget for the 2022-2023 Fiscal Year.

**Request for Information**

This financial report is designed to provide a general overview of the Town of Columbia, 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 Department, Town of Columbia, 323 Route 87, Columbia, CT 06237.

**TOWN OF COLUMBIA**

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 8,616,974
State and federal grants receivable	11,801
Property taxes receivable	147,896
Interest receivable	84,081
Other receivables	15,525
Prepaid expenses	28,993
Total current assets	<u>8,905,270</u>
Noncurrent assets:	
Capital assets:	
Nondepreciable	3,175,747
Depreciable assets, net of depreciation	12,435,155
<b>Total assets</b>	<u>24,516,172</u>
<b>Deferred Outflows of Resources</b>	
Deferred Outflows - OPEB	138,413
<b>Total Deferred Outflows of Resources</b>	<u>138,413</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	230,191
Accrued expenses	710,660
Other payables	3,006
Unearned revenue	423,617
Total current liabilities	<u>1,367,474</u>
Noncurrent liabilities:	
Due within one year	50,471
Due in more than one year	549,897
Total noncurrent liabilities	<u>600,368</u>
<b>Total liabilities</b>	<u>1,967,842</u>
<b>Deferred Inflows of Resources</b>	
Deferred Inflows - OPEB	135,809
<b>Total Deferred Inflows of Resources</b>	<u>135,809</u>
<b>Net position</b>	
Net investment in capital assets	15,592,917
Restricted for:	
Land protection	79,806
Housing rehabilitation	55,636
Other	57,762
Unrestricted	6,764,813
<b>Total net position</b>	<u>\$ 22,550,934</u>

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



**TOWN OF COLUMBIA**  
Statement of Activities  
For the Year Ended June 30, 2022

<b>Functions/Programs</b>	<b>Program Revenues</b>				Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental activities					<b>Governmental Activities</b>
General government	\$ 1,786,472	\$ 139,572	\$ 120,521	\$ -	\$ (1,526,379)
Health and human services	318,699	2,708	7,738	-	(308,253)
Public safety	741,379	4,502	123,760	-	(613,117)
Public works	996,664	93,059	245,947	-	(657,658)
Building and development services	362,233	101,864	-	-	(260,369)
Recreation	821,902	56,615	184,523	-	(580,764)
Education	14,243,450	66,672	3,672,770	-	(10,504,008)
Interest on long-term debt	1,150	-	-	-	(1,150)
Total governmental activities	<u>\$ 19,271,949</u>	<u>\$ 464,992</u>	<u>\$ 4,355,259</u>	<u>\$ -</u>	<u>(14,451,698)</u>
		General Revenues			
					14,741,793
					23,236
					9,501
					73,767
					<u>14,848,297</u>
					396,599
					22,154,335
					<u>\$ 22,550,934</u>

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

# TOWN OF COLUMBIA

## Balance Sheet Governmental Funds June 30, 2022

	General Fund	Reserve for Capital and Non-Recurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 6,803,502	\$ 1,269,202	\$ 394,953	\$ 149,317	\$ 8,616,974
State and federal grants receivable	11,801	-	-	-	11,801
Other receivables	15,525	-	-	-	15,525
Interfund receivables	2	-	-	145,954	145,956
Property taxes receivable, net	147,896	-	-	-	147,896
Interest receivable	84,081	-	-	-	84,081
Prepays	28,993	-	-	-	28,993
<b>Total assets</b>	<b><u>\$ 7,091,800</u></b>	<b><u>\$ 1,269,202</u></b>	<b><u>\$ 394,953</u></b>	<b><u>\$ 295,271</u></b>	<b><u>\$ 9,051,226</u></b>
<b>Liabilities</b>					
Accounts payable	\$ 229,691	\$ -	\$ -	\$ 500	\$ 230,191
Accrued expenses	694,875	13,088	-	2,697	710,660
Unearned revenue	22,051	-	394,944	6,622	423,617
Interfund payables	145,954	-	-	2	145,956
Due to State of CT	-	-	-	3,006	3,006
<b>Total liabilities</b>	<b><u>1,092,571</u></b>	<b><u>13,088</u></b>	<b><u>394,944</u></b>	<b><u>12,827</u></b>	<b><u>1,513,430</u></b>
<b>Deferred Inflows of Resources</b>					
Deferred Taxes and Interest	159,906	-	-	-	159,906
<b>Total Deferred Inflows of Resources</b>	<b><u>159,906</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>159,906</u></b>
<b>Fund Balances</b>					
Nonspendable:					
Board of Selectman-Prepaid expenses	7,288	-	-	-	7,288
Board of Education-Prepaid expenses	21,705	-	-	-	21,705
Restricted:					
ARPA Grant	-	-	9	-	9
D.A.R.E Education	-	-	-	1,055	1,055
Town Aid Road	-	-	-	60	60
Historic Document Preservation Fund	-	-	-	6,338	6,338
Land Protection Fund	-	-	-	79,806	79,806
Education Grants Fund	-	-	-	271	271
Social Services Needs Fund	-	-	-	19,958	19,958
Student Activities Fund	-	-	-	18,290	18,290
Brand Memorial Fund	-	-	-	11,781	11,781
Small Cities Housing Rehabilitation	-	-	-	55,636	55,636
Committed (See Note 9)	306,221	1,254,698	-	89,249	1,650,168
Assigned:					
Subsequent Year's Budget	695,756	-	-	-	695,756
Encumbrances	275,645	-	-	-	275,645
Reserve for Capital	-	1,416	-	-	1,416
Unassigned	4,532,708	-	-	-	4,532,708
<b>Total fund balances</b>	<b><u>5,839,323</u></b>	<b><u>1,256,114</u></b>	<b><u>9</u></b>	<b><u>282,444</u></b>	<b><u>7,377,890</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b><u>\$ 7,091,800</u></b>	<b><u>\$ 1,269,202</u></b>	<b><u>\$ 394,953</u></b>	<b><u>\$ 295,271</u></b>	<b><u>\$ 9,051,226</u></b>

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

## TOWN OF COLUMBIA

### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2022

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<b>Fund balances reported in governmental funds Balance Sheet.</b>	<b>\$ 7,377,890</b>
<b>Amounts reported for governmental activities in the government- wide Statement of Net Position are different because:</b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
<i>Capital Assets</i>	32,136,584
<i>Accumulated Depreciation</i>	(16,525,682)
Deferred revenue for property taxes, interest and grants are reported in the funds but accrued as revenue in the government-wide statements and added to net position.	
<i>Property Taxes and Interest</i>	159,906
Certain changes related to pensions are deferred and amortized over time.	
<i>Deferred Outflows - OPEB</i>	138,413
<i>Deferred Inflows - OPEB</i>	(135,809)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.	
<i>Accumulated Sick Time</i>	(73,646)
<i>Compensated Absences</i>	(68,427)
<i>Notes Payable</i>	(4,822)
<i>Equipment Financing Note Payable</i>	(13,163)
<i>Other Postemployment Benefits</i>	<u>(440,310)</u>
<b>Net position of governmental activities.</b>	<b><u>\$ 22,550,934</u></b>

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

**TOWN OF COLUMBIA**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2022

	General Fund	Reserve for Capital and Non-Recurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total
<b>Revenues</b>					
Taxes	\$ 14,843,161	\$ -	\$ -	\$ -	\$ 14,843,161
Licenses, fees, and permits	424,533	-	-	40,459	464,992
Intergovernmental revenue	3,769,239	-	402,985	574,923	4,747,147
Contributions	-	-	-	9,897	9,897
Other revenues	14,862	-	-	58,905	73,767
Investment earnings	5,403	3,945	9	144	9,501
Total revenues	<u>19,057,198</u>	<u>3,945</u>	<u>402,994</u>	<u>684,328</u>	<u>20,148,465</u>
<b>Expenditures</b>					
Current:					
General government	1,595,822	-	59,345	53,524	1,708,691
Health and human services	313,053	-	-	13,407	326,460
Public safety	498,658	-	122,049	19,756	640,463
Public works	842,937	-	38,707	-	881,644
Building and development services	362,233	-	-	-	362,233
Recreation	578,507	-	182,884	15,355	776,746
Education	13,931,350	-	-	364,131	14,295,481
Debt service	-	-	-	-	-
Capital expenditures	-	580,170	-	-	580,170
Total expenditures	<u>18,122,560</u>	<u>580,170</u>	<u>402,985</u>	<u>466,173</u>	<u>19,571,888</u>
Excess/(deficiency) of revenues over expenditures	934,638	(576,225)	9	218,155	576,577
<b>Other Financing sources/(Uses)</b>					
Transfers in	8,827	758,808	-	19,200	786,835
Transfers out	(532,846)	-	-	(253,989)	(786,835)
Total other financing sources/(uses)	<u>(524,019)</u>	<u>758,808</u>	<u>-</u>	<u>(234,789)</u>	<u>-</u>
Net change in fund balances	410,619	182,583	9	(16,634)	576,577
<b>Fund balances - beginning</b>	<u>5,428,704</u>	<u>1,073,531</u>	<u>-</u>	<u>299,078</u>	<u>6,801,313</u>
<b>Fund balances - ending</b>	<u>\$ 5,839,323</u>	<u>\$ 1,256,114</u>	<u>\$ 9</u>	<u>\$ 282,444</u>	<u>\$ 7,377,890</u>

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

## TOWN OF COLUMBIA

### Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2022

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**Net change in fund balances - total governmental funds.** \$ 576,577

**Amounts reported for governmental activities in the Statement of Activities  
are different because:**

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

<i>Capital outlay</i>	647,750
<i>Depreciation expense</i>	(874,760)

Revenues in the Statement of Activities that do not provide current financial resources are reported as deferred revenues in the funds. Accordingly, an adjustment is necessary to reconcile amounts reported as interest receivable in the government-wide Statement of Net Position and as deferred revenue in the fund Balance Sheet.

(101,368)

Bond and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Repayments:

<i>Equipment financing note principal payments</i>	6,029
<i>Notes payable principal payments</i>	55,316

Certain benefits are expended in the funds when resources are used, but are expensed in the Statement of Activities when the liability is incurred.

<i>Accumulated Sick Time</i>	12,085
<i>Compensated Absences</i>	37,031
<i>Other Postemployment Benefits</i>	<u>37,939</u>

**Change in net position of governmental activities.** \$ 396,599

**TOWN OF COLUMBIA**  
 Budgetary Comparison Statement  
 General Fund  
 For the Year Ended June 30, 2022

	Budgeted amounts		<b>Actual Amounts Budgetary Basis</b>	Over (Under)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 14,475,150	\$ 14,475,150	\$ 14,843,161	\$ 368,011
Licenses, fees, and permits	143,500	143,500	217,905	74,405
Intergovernmental revenue	2,439,620	2,439,620	2,472,169	32,549
Charges for services	18,350	19,350	25,861	6,511
Other revenues	169,500	168,500	209,402	40,902
Transfers in	10,000	10,000	8,827	(1,173)
Appropriated from Surplus	558,360	633,360	-	(633,360)
Total revenues	<u>17,814,480</u>	<u>17,889,480</u>	<u>17,777,325</u>	<u>(112,155)</u>
<b>Expenditures</b>				
Current:				
General government	1,706,813	1,696,480	1,569,581	(126,899)
Health and human services	319,781	326,413	313,810	(12,603)
Public safety	490,224	506,563	498,537	(8,026)
Public works	914,662	923,662	846,684	(76,978)
Building and development services	364,326	383,575	361,571	(22,004)
Recreation	595,086	595,940	579,735	(16,205)
Education	12,883,942	12,883,942	12,792,292	(91,650)
Contingency	78,000	22,559	-	(22,559)
Fund Transfers	461,646	550,346	550,346	-
Debt service	-	-	-	-
Total expenditures	<u>17,814,480</u>	<u>17,889,480</u>	<u>17,512,556</u>	<u>(376,924)</u>
<b>Surplus/(deficiency) of revenues over expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,769</u>	<u>\$ 264,769</u>

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

**TOWN OF COLUMBIA**  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
 June 30, 2022

	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Funds</u>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ 11,348
Receivables	-	-
Investments, at Fair Value:		
Short-Term Investments	-	-
Mutual Funds	<u>1,228,193</u>	<u>-</u>
Total Investments, at Fair Value	<u>1,228,193</u>	<u>-</u>
Accrued Income	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u>\$ 1,228,193</u>	<u>\$ 11,348</u>
<b>Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Liabilities</b>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<b>Total liabilities</b>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Net position</b>		
Restricted for Pension Benefits	1,228,193	-
Restricted for Scholarships and Other Purposes	<u>-</u>	<u>11,348</u>
<b>Total net position</b>	<u>\$ 1,228,193</u>	<u>\$ 11,348</u>

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

**TOWN OF COLUMBIA**  
Fiduciary Funds  
Statement of Changes in Fiduciary Net Position  
For the Years Ended June 30, 2022

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	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Funds</u>
<b>Additions</b>		
Contributions:		
Employer, Net loans and investment earnings	\$ 103,970	\$ -
Plan members	<u>\$ -</u>	<u>\$ -</u>
Total Contributions	<u>103,970</u>	<u>-</u>
Net Investment Income:		
Net Appreciation(Depreciation) in Fair		
Value of Investments	(142,374)	-
Interest and Dividends	48,306	1
Investment Expenses	<u>(13,418)</u>	<u>(672)</u>
Total Net Investment Income	<u>(107,486)</u>	<u>(671)</u>
 Total Additions	 (3,516)	 <u>(671)</u>
<b>Deductions</b>		
Other Distributions	(2,590)	
Pension Distributions	(62,195)	-
Scholarships	<u>-</u>	<u>-</u>
Total Deductions	<u>(64,785)</u>	<u>-</u>
 Change in net position	 (68,301)	 (671)
 <b>Net position - beginning</b>	 <u>1,296,493</u>	 <u>12,019</u>
<b>Net position - ending</b>	<u>\$ 1,228,193</u>	<u>\$ 11,348</u>

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



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

**Reporting Entity**

The Town of Columbia, CT is a municipal corporation organized under state statutes in 1804. The Town operates under an elected Board of Selectmen, Financial Planning and Allocation Commission, and Town Meeting form of government. The Town provides the following services: general government administration, health and human services, public safety, public works, building and development, recreation, and education. Primary educational services are provided by the Horace W. Porter School, whose operations are presented in the Town's financial statements. Secondary educational services are provided by Bolton, and EO Smith High Schools which are part of the Towns of Bolton, and Mansfield, respectively. The Town of Columbia, CT is charged for services based on a per-pupil rate determined by Towns of Bolton, and Mansfield. Students also have the option to attend Windham Technical or magnet schools.

The Legislative authority of the Town is vested in the Town Meeting. The First Selectman is the chief executive officer and the Town Administrator is the chief administrative officer. Budget-making authority resides with the Financial Planning and Allocation Commission. The Financial Planning and Allocation Commission is responsible for revising the proposed budget and submitting the final budget to the Town Meeting. The Financial Planning and Allocation Commission 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.

The accounting and reporting policies of the Town relating to the funds included in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. The more significant accounting policies of the Town are described below.

The Town's combined financial statements include the accounts of all Town controlled operations. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Town of Columbia, CT (the primary government) and its component units. The basic criteria for inclusion of a component unit in a governmental unit's reporting entity for basic financial reporting is the exercise of oversight responsibility. Oversight responsibility is determined on the basis of financial interdependence, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters and scope of public service. Currently, there are no entities considered component units of the Town. The Town includes all funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Town's executive and legislative branches.

The financial statements presented herein do not include agencies which have been formed under applicable State laws or separate and distinct units of government apart from the Town of Columbia, CT. Based upon the foregoing criteria, the following organizations are not considered part of the Town and are excluded from the accompanying financial statements:

**Saxton B. Little Free Library** - The Saxton B. Little Free Library is a legally incorporated, separate and distinct entity from the Town. The Town provides a portion of the operating and capital budgets to the Library; however, the Town is not required to fund deficits nor does the Town participate in program budgets or managing operations. The Saxton B. Little Free Library Board of Directors determines how their funding is spent.

**Columbia Volunteer Fire Department** – The Columbia Volunteer Fire Department is a legally incorporated, separate, and distinct entity from the Town. The Town provides a portion of the operating and capital budgets to the Department; however, the Town is not required to fund deficits nor does the Town participate in program budgets or managing operations. The Columbia Volunteer Fire Department Board of Directors determines how their funding is spent.

**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 are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statements Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the 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. 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*. Their revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used 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. Exceptions to this general rule include: voluntary non-exchange transactions when all eligibility requirements have been met. Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include: compensated absences, debt service, and claims and judgments that are recorded only when payment is due.

Property taxes when levied, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government, or specifically identified.

Major funds are determined exclusive of interfund transactions and balances. The government reports the following major governmental funds:

The *General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another manner.

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

---

The *Reserve for Capital and Non-Recurring Expenditures* is used to account for capital acquisition and improvements. This is a perpetual fund financed through annual budget appropriations and capital grants.

The *American Relief Fund* is used to account for and report financial resources related to the federal American Rescue Plan Act grant.

Additionally, the government reports the following fiduciary fund types:

*Private-Purpose Trust Funds* are used to account for resources legally held in trust for the benefit of individuals, private organizations, or other governments.

The *Pension Trust Fund* is used to account for the activities of the Town's defined contribution plan which accumulates resources for pension benefit payments to qualified employees.

### **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 period. Actual results could differ from those estimates.

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

**Cash and Cash Equivalents** - The deposit of public funds is controlled by the Connecticut General Statutes. The Town maintains separate accounts with depositories where necessary. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in various interest-bearing accounts, certificates of deposit, and pooled investment funds that may be deemed to be cash equivalents based on maturity date or availability of conversion to cash. Cash and cash equivalents are stated at cost, which approximates market value and have maturities of three months or less.

**Receivables and Payables** - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Town's property taxes are levied each July 1, on the assessed value listed on the prior October 1 Grant List for all taxable property located in the Town. Taxes are due and payable in two installments on July 1 and January 1 for real property and personal property and on July 1 for motor vehicles. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through September 30 and are payable in one installment due January 1. The Town files liens against property if taxes, which are due July 1, remain unpaid on the following February 1.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year-end. There was no allowance for uncollectible accounts reported as of June 30, 2022 as all uncollectible taxes were moved to suspense.

**Investments** - In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally.

recognized rating service. Other trust funds may also invest in stocks, bonds, or other securities selected by the Trustee.

**Fair Value of Financial Instruments**

In accordance with GASB Statement No. 72, the Town is required to measure the fair value of its assets and liabilities under a three-level hierarchy, as follows:

**Level 1:** Quoted market prices for identical assets or liabilities to which an entity has access to at the measurement date.

**Level 2:** Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the assets or liability;
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

**Level 3:** Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

*Observable inputs* reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and *unobservable inputs* reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Investments are carried at fair value based on Level 1 observable inputs and are presented in Note 3.

**Advances to and from other funds** - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund receivables or payables. Interfund payables and receivables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

**Capital Assets** - Capital assets, which include equipment, fixtures, and other long-lived assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (\$20,000 for land, infrastructure, buildings, and improvements) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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<u>Assets</u>	<u>Years</u>
Buildings & Improvements	10-50
Vehicles	5-15
Equipment	3-25
Infrastructure	20

**Deferred outflows/inflows of resources** - In addition to assets, the statement of financial 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 that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town reports the deferred charge on refunding in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Town also reports Deferred OPEB expense in this category. Deferred OPEB expense results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in OPEB expense over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees).

In addition to liabilities, the statement of financial 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 that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, within the government-wide statement of net position the Town reports as deferred inflows amounts representing the net difference between expected and actual results, changes in assumptions and projected and actual earnings of its OPEB plan. These amounts are deferred and included in OPEB expense over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active and inactive employees). Also, 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 several sources: property taxes, special assessments, school building grants, and other receivables. These amounts are deferred and recognized as an inflow of resources in the period during which the amounts become available.

**Long-term obligations** - In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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 are reported as deferred charges and amortized over the term of the related debt.

**Long-term debt** is recognized as a liability of a governmental fund when it is due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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**Fund equity and net position** – In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* – This category represents the net position of the Town, which is not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for certain expenses, the town expends restricted resources first and uses unrestricted resources when the restricted funds are depleted.

In the fund financial statements, fund balances of governmental funds are classified in the following five separate categories:

*Nonspendable Fund Balance* – Indicates amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including prepaid expenditures and permanent fund principal.

*Restricted Fund Balance* – Indicates amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – Indicates amounts that can be used only for specific purposes pursuant to constraints imposed by formal budgetary action of the Board of Finance and Town Meeting in accordance with provisions of the Connecticut General Statutes.

*Assigned Fund Balance* – Indicates amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by formal action of the Board of Selectman or Board of Finance.

*Unassigned Fund Balance* – Represents the remaining fund balance after amounts are set aside for all other classifications.

The Town has not established a formal policy for its use of restricted and unrestricted (committed, assigned, unassigned) fund balance; however, the Town generally used restricted fund balance first if the expenditure meets the restricted purpose, followed by committed, assigned and unassigned amounts.

## NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### **Budgetary Information and Accounting**

The Town of Columbia, CT follows these procedures in establishing the budgetary data reflected in the financial statements:

- A proposed operating budget is submitted for the fiscal year.
- Public hearings are conducted in the Town to obtain taxpayer comments.
- The budget is legally enacted through a town meeting. The operating budget includes proposed expenditures and the means of financing them.
- The Board of Selectmen may transfer funds between accounts within a given agency limited to a maximum of \$500. The Board may also make transfers within an agency up to \$10,000 with the approval of FIPAC
- A maximum of \$20,000 for the current fiscal year (not including the Board of Education) for any agency may be transferred with the approval of FIPAC. In the event that these amounts are to be exceeded or that approval cannot be obtained from FIPAC, the transfer must be approved by a Town Meeting.
- The Town may establish a contingency account of no more than 2 percent of the total budget. The Board of Selectmen, upon FIPAC approval, is authorized to transfer from the contingency account up to \$20,000 to any agency (excluding Board of Education). Additional appropriations and transfers in excess of \$20,000 must be approved at a Town meeting.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- All noncontinuing appropriations lapse at year-end. Capital appropriations in the Reserve for Capital and Non-Recurring Expenditures fund do not lapse until completion of the applicable projects.
- Encumbrance accounting is used as an extension of formal budgetary integration in the General Fund.

### **Encumbrances**

Encumbrances for goods or purchased services are documented by purchase orders or contracts. For budget basis reporting, encumbrances outstanding at year-end are reported as expenditures. For Government-wide and governmental fund statements, encumbered expenditures outstanding at year-end do not constitute expenditures or liabilities.

### **Budgetary/GAAP Reconciliation**

The Town of Columbia, CT prepares its annual budget on a basis (budget basis), which differs in some respects from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the Town's method (budget basis) in the *Budgetary Comparison Statement - General Fund* to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis are that property taxes are recorded as revenues when received (budget) rather than available (GAAP), certain interfund transfers are recorded as expenditures (budget) rather than operating transfers (GAAP) and that encumbered expenses are recorded in the year they are incurred for GAAP purposes and in the year they are appropriated for budget purposes. The budget as presented has been amended by the Financial Planning and Allocation Commission throughout the year. Adjustments necessary to reconcile the budget basis to GAAP basis are presented below:

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources/(Uses)</u>	<u>Change</u>
Balance, Budgetary Basis	\$ 17,777,325	\$ (17,512,556)	\$ -	\$ 264,769
Revenue adjustments for:				
CT Teacher's Retirement	1,288,700	-	-	1,288,700
Transfers In	(8,827)	-	8,827	-
Expenditure adjustments for:				
CT Teacher's Retirement	-	(1,288,700)	-	(1,288,700)
Encumbrances & Other Expenses	-	153,266	-	153,266
Transfers Out	-	550,346	(532,846)	17,500
Perspective Difference	-	(24,916)	-	(24,916)
Balance, GAAP Basis	<u>\$ 19,057,198</u>	<u>\$ (18,122,560)</u>	<u>\$ (524,019)</u>	<u>\$ 410,619</u>

**Risk Management**

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The Town purchases commercial insurance to cover most potential risks of loss. Neither the Town nor its insurers have settled any claim within the past year, which have exceeded the Town's insurance coverage. There were no significant changes in coverage from the prior year, and no settlements have exceeded insurance coverage in the last three years.

The Town belongs to the Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk pool currently operating as a common risk management and insurance program for a comprehensive workers' compensation insurance program through its workers' compensation pool. The Town pays an annual premium to the pool for its coverage. The agreement for the formation of CIRMA provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event to an unlimited excess limit. The pooling agreement allows CIRMA to make additional assessments to make the pool self-sustaining. The Town cannot estimate the amount of such additional assessments and has not been notified that any assessments are forthcoming. CIRMA publishes its own financial report, which can be obtained from: CIRMA, 900 Chapel Street, New Haven, CT.

**NOTE 3 – CASH EQUIVALENTS AND INVESTMENTS**

**Cash and Cash Equivalents**

*Custodial Credit Risk - Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. The bank balance of deposit accounts was \$6,515,912. Of the bank balance, Federal Depository Insurance Corporation insured \$659,733.

As of June 30, 2022, \$5,856,179 of the Town's bank balance of \$6,515,912 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 5,220,561
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	<u>635,618</u>
Total	<u>\$ 5,856,179</u>

*Cash Equivalents:* The Town held \$2,289,902 in the State of Connecticut Short-Term Investment Fund (STIF).



**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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*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.

*Credit Risk.* The Town has no investment policy that limits the investment choices further than the State Statutes listed above. The STIF Funds are Standard & Poor's AAAM rated investment pools of high-quality, short term money market instruments.

*Custodial Credit Risk.* This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town's investments are held in various trustee accounts in the Town's name. The Town's mutual funds are not subject to custodial credit risk, as the Town's investment is not directly exposed to custodial credit risk.

The following is a schedule of assets measured at Fair Value:

<u>Description</u>	June 30, <u>2022</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual Funds	\$ 1,228,193	\$ 1,228,193	-	-
Total	<u>\$ 1,228,193</u>	<u>\$ 1,228,193</u>	<u>\$ -</u>	<u>\$ -</u>

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

**NOTE 4 – CAPITAL ASSETS**

The following is a summary of net changes in fixed assets at year-end:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Construction in Progress	\$ 724,148	\$ 357,144	\$ 62,233	\$ 1,019,059
Land	2,106,838	49,850	-	2,156,688
Total capital assets, not being depreciated	<u>2,830,986</u>	<u>406,994</u>	<u>62,233</u>	<u>3,175,747</u>
Capital assets, being depreciated:				
Buildings & Improvements	21,774,547	124,830	-	21,899,377
Land Improvements	1,304,319	22,097	-	1,326,416
Infrastructure	1,648,175	1,948	-	1,650,123
Furniture & Fixtures	18,700	-	-	18,700
Vehicles	2,743,228	2,344	151,516	2,594,056
Machinery & Equipment	1,325,771	151,770	5,376	1,472,165
Total capital assets being depreciated	<u>28,814,740</u>	<u>302,989</u>	<u>156,892</u>	<u>28,960,837</u>
Less accumulated depreciation for:				
Buildings & Improvements	11,721,703	582,983	-	12,304,686
Land Improvements	453,173	45,761	-	498,934
Infrastructure	691,860	55,630	-	747,490
Furniture & Fixtures	18,700	-	-	18,700
Vehicles	2,100,521	100,453	151,516	2,049,458
Machinery & Equipment	821,857	89,467	5,376	905,948
Total accumulated depreciation	<u>15,807,814</u>	<u>874,294</u>	<u>156,892</u>	<u>16,525,216</u>
Total capital assets, being depreciated, net	<u>13,006,926</u>	<u>(571,305)</u>	<u>-</u>	<u>12,435,621</u>
Governmental activities capital assets, net	<u>\$ 15,837,912</u>	<u>\$ (164,311)</u>	<u>\$ 62,233</u>	<u>\$ 15,611,368</u>

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

<b>Governmental Activities:</b>	
General Government	\$ 146,930
Public Works	159,392
Public Safety	100,918
Recreation	44,923
Education	422,131
Total Depreciation Expense - Governmental Activities	<u>\$ 874,294</u>

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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**NOTE 5 – INTERFUND ACCOUNTS**

At June 30, 2022, interfund balances were as follows:

	Due from:		
Due to:	General Fund	Nonmajor Funds	Total
General Fund	\$ -	\$ 2	\$ 2
Reserve for Capital and Nonrecurring Expenditures	-	-	-
Nonmajor Funds	145,954	-	145,954
	\$ 145,954	\$ 2	\$ 145,956

Interfund balances are typically short-term balances in anticipation of cash transfers, except the Town Aid Road Fund, whose assets are wholly invested in the General Fund until needed.

Interfund Transfers for the year are summarized below:

	Transfers To Reserve for Capital			
Transfers From and Purpose	General Fund	Non-Recurring Expenditures	Nonmajor Funds	Total
<u>General Fund</u>				
<i>Budgeted expenditure to fund future projects</i>	\$ -	\$ 513,646	\$ 19,200	\$ 532,846
<u>Nonmajor Funds</u>				
<i>Transfer of Contributed Funds &amp; Grant Funds</i>	8,827	245,162	-	253,989
	\$ 8,827	\$ 758,808	\$ 19,200	\$ 786,835

**NOTE 6 – LONG-TERM OBLIGATIONS**

**Long-Term Obligation Activity**

Notes payable are written promises to pay stated sums of money at future dates. The General Fund has historically been used to liquidate other long-term liabilities.

As of June 30, 2022, the outstanding note payable of the Town was as follows:

Notes Payable for LED Lighting, approved in 2018, final payment due 8/15/22; monthly principal payments with no interest.

	\$ 4,822
Total Long-Term Note	\$ 4,822

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

Changes in long-term obligations for the year ended June 30, 2022, are as follows:

	Restated Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>	Current <u>Portion</u>
Governmental Activities:					
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Notes Payable	60,138	-	55,316	4,822	4,822
Capital Lease	19,192	-	6,029	13,163	6,029
OPEB Obligation	478,509	-	38,199	440,310	-
Compensated Absences	105,458	-	37,031	68,427	12,679
Accumulated Sick Time	85,731	-	12,085	73,646	26,941
	<u>\$ 749,028</u>	<u>\$ -</u>	<u>\$ 148,660</u>	<u>\$ 600,368</u>	<u>\$ 50,471</u>

**Debt Service Requirements**

Debt service requirements on long-term debt are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 60,138	\$ -
	<u>\$ 60,138</u>	<u>\$ -</u>

**Vehicle Leases**

The Town has entered into a lease agreement as lessee for financing the acquisition of a senior center van. Application of GASB Statement No. 87. Leases would have minimal impact on the reporting of this lease. As a result, no deferred inflows or outflows have been recorded.

The assets acquired through leases are as follows:

	<u>Governmental Activities</u>
Assets:	
Equipment	\$ 26,371
Less accumulated depreciation	<u>(5,743)</u>
Total	<u>\$ 20,628</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, are as follows:

	<u>Governmental Activities</u>
Year ending June 30:	
2023	7,179
2024	7,179
Less amount representing interest	<u>(1,195)</u>
Total	<u>\$ 13,163</u>

**Landfill Closure**

State and federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill site for thirty years after the closure date. Current year expenditures of \$1,405 were recognized in the General Fund. Changes in the estimated total current cost of post-closure care may occur and should be reported in the periods in which the change is probable and reasonably estimable.

**Compensated Absences**

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expenditure and long-term liability for the government-wide statements.

No liability is recorded for non-vesting rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated to be taken as "terminal leave" prior to retirement.

**Special Termination Benefits**

Periodically, the Board of Education offers temporary retirement incentive packages to teachers that meet specific requirements. The Board may implement an early retirement incentive program for such duration and with such terms as the Board deems in the best interests of the district. The Board shall notify the Association by March 1 of year if it decides to offer an incentive.

**NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description**

The Town has established and administers the Town of Columbia Post-Retirement Medical Insurance Program. The program provides post-employment health care benefits for retired employees who were full-time employees. The benefit is available to Town Hall departments, teachers, administrators, and certain other board of education retirees. Upon retirement, BOE, AFSME and Town retirees pay 100% of the cost of insurance. Under the Connecticut Teachers Retirement Board system, teachers and administrators are eligible at age 50 with 30 years of experience; age 55 with 25 years of experience; or 60 with 10 years of experience. Depending upon the plan selected these retirees would pay 100% of the cost. Town retirees on or after the age of 55 with 10 years of service can also pay 100% of the cost of insurance and be eligible on the plan until the Medicare age eligibility is met. Benefit provisions and funding requirements may be amended by the Board of Selectman. The Town is applying the requirements of GASB No.75 prospectively.

**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 budgetary basis. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75.

**Employees Covered by Benefit Terms**

At June 30, 2022, the following members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>111</u>
	<u>118</u>

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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**Total OPEB Liability**

The Town's total OPEB liability of \$440,310 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and Other Inputs**

The plan does not have credible data on which to perform an experience study.

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including the measurement, unless otherwise specified:

Interest	3.54% based on Bond Buyer 20-Bond Municipal Index effective as of June 30, 2022.
Rate of Compensation Increase	2.40%, including inflation.
Mortality rates	Based on Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Teachers and General Employees, projected to the valuation date with a scale MP-2021.
Mortality Improvement	Projected to date of decrement using Scale MP-2021
Inflation	2.40%
Healthcare Cost Trend Rates	6.5%, reducing by .02% each year to an ultimate rate of 4.4% per year rate for 2029 and later.

**Changes in Total OPEB Liability**

	Total OPEB Liability
Balance as of 6/30/2021	\$ 478,509
Changes for the Year:	
Service Costs	17,042
Interest	10,006
Changes in benefit Terms	-
Difference between expected and actual experience	42,298
Changes of Assumptions	(42,610)
Benefit payments	(64,935)
Net changes	(38,199)
Balance as of 6/30/2022	<u>\$ 440,310</u>

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

The following represents 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 2.54%	Discount Rate 3.54%	1% Increase 4.54%
Total OPEB Liability	<u>475,737</u>	<u>440,310</u>	<u>408,328</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	400,349	440,310	486,192

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

For the fiscal year ended June 30, 2022, the recognized OPEB expense is \$15,460. As of June 30, 2022, deferred outflows and inflows of resources related to OPEB are reported as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 89,206	(88,282)
Changes of assumptions	49,207	\$ (47,527)
	\$ 138,413	\$ (135,809)

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

Year Ending June 30:	
2023	\$ (52)
2024	(52)
2025	(52)
2026	(52)
2027	(52)
Thereafter	2,864

**Connecticut Teachers' Retirement System - OPEB**

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

**Benefit Provisions**

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

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$220 per month towards coverage under a local school district plan. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut. Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the system. If they elect to remain in the Plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

**Contributions**

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

School district employers are not required to make contributions to the Plan. The State of Connecticut's estimated allocated contribution to the Plan on behalf of the Town was \$29,628.

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

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.5%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary increases	3.00-6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation

Municipal bond index rate:

Measurement Date	2.16%
Prior Measurement Date	2.21%

The projected fiduciary net position is projected to be depleted in 2023



**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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Single equivalent interest rate

Measurement Date	2.17%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	2.21%, net of OPEB plan investment expense, Including price inflation

Healthcare cost trend rates:

Medicare	Medicare 5.125% for 2020 decreasing to an ultimate Rate of 4.50% by 2023
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Mortality rates were based on the PubT-2010 healthy Retiree Table (adjusted 105% for males and 103% for females as ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

**Long-Term Rate of Return**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluation the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

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

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

Asset Class	Target Allocation	Expected 10-Year Geometric Real Rate of Return	Standard Deviation
U.S. Treasuries (Cash Equivalents)	100.0%	-0.42%	1.78%
Price inflation		2.50%	
Expected rate of return (Rounded nearest 0.25%)		2.00%	

**Discount Rate**

The discount rate used to measure the total OPEB liability was 2.17%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2020. In addition to the actuarial methods and assumptions of the June 30, 2020 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the plan's fiduciary net position was projected to be depleted in 2023 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

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

	1% Lower Trend Rates	Current Trend Rates	1% Higher Trend Rates
Initial Healthcare Cost Trend Rate	4.125%	5.125%	6.125%
Ultimate Healthcare Cost Trend Rate	3.50%	4.50%	5.50%
Total OPEB Liability	\$ 1,372,087	\$ 1,638,207	\$ 2,002,120

**Sensitivity of the Net OPEB Liability to Changes in Discount Rates**

The following presents the net OPEB liability, calculated using the current discount rate, as well as what the net 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 rate:

	1% Decrease (1.17%)	Current Discount Rate (2.17%)	1% Increase (3.17%)
Net OPEB liability	\$ 2,005,109	\$ 1,638,207	\$ 1,352,217

*Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions:* At June 30, 2022 the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the Town were as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>1,638,207</u>
Total	<u>\$ 1,638,207</u>

The net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. At June 30, 2022, the Town had no proportionate share of the net OPEB liability.

For the year ended June 30, 2022, the Town recognized OPEB expense and revenue of \$29,628 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized (\$60,494) for OPEB expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

#### **NOTE 8 – PENSION PLANS**

##### **Connecticut State Teacher’s Retirement System**

*Plan Description* - Teachers, principals, superintendents, and supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers’ Retirement System- a cost sharing multiple-employer defined benefit pension plan administered by the Connecticut State Teachers Retirement Board (CTRB). Chapter 167a of the State Statutes grants authority to establish and amend the benefited terms to the TRB Board. CTRB issues a publicly available financial report that can be obtained at [www.ct.gov](http://www.ct.gov).

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

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

*Early Retirement* - Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

*Disability Retirement* - Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for non service-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

*Contributions* - Per Connecticut General Studies Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved and amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

*Employer (School Districts):* School District employers are not required to make contributions to the plan. The statutes require the State of Connecticut to contribute 100% of each school districts’ required contributions, which are actuarially determined as an amount, that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

*Employees:* Participants are required to contribute 7% of their annual salary to the System as required by the CGS Section 10-183b(7). For the year ended June 30, 2022 the certified teachers’ contribution to the Connecticut Teachers Retirement Board was \$104,364. Covered payroll for the town for the year ended June 30, 2022 was approximately \$4,589,859.

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* - At June 30, 2022, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town	\$	15,036,568
Total	\$	<u>15,036,568</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2022 the Town has no proportionate share of the net pension liability. For the year ended June 30, 2022, the Town recognized benefits expense and contribution revenue of \$1,259,072 in the governmental funds for on-behalf amounts for the benefits provided by the state. In the Government-wide financial statements, the town recognized \$970,645 for pension expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

*Actuarial Assumptions:* 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, 2015 through June 30, 2019. 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 measurement.

Inflation	2.50%
Salary increases, including inflation	3.00-6.50%
Long-term investment rate of return, net of pension investment expense, including inflation.	6.90%

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females as ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

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

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity Fund	20.00%	5.60%
Developed Market Intl. Stock Fund	11.00%	6.00%
Emerging Market Intl. Stock Fund	9.00%	7.90%
Core Fixed Income Fund	16.00%	2.10%
Inflation Linked Bond Fund	5.00%	1.10%
Emerging Market Debt Fund	5.00%	2.70%
High Yield Bond Fund	6.00%	4.00%
Real Estate Fund	10.00%	4.50%
Private Equity	10.00%	7.30%
Alternative Investments	7.00%	2.90%
Liquidity Fund	1.00%	0.40%

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

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

*Sensitivity of the net pension liability to changes in the discount rate* - The Town's proportionate share of the net pension liability is \$0, and therefore the change in the discount rate would only impact the amount recorded by the State of Connecticut

**Board of Education Non-Certified and Administration Retirement**

All non-certified Board of Education employees are eligible to participate in an employer matching contribution 403(b) tax sheltered annuity plan upon date of hire. During the fiscal year ended 2013 the plan was amended to also include administrative employees. The Board of Education makes a 6% contribution for non-certified and administrative employees, based on the employee's date of eligibility. Employer contributions for the current year totaled \$65,607.

**Town Employees**

*Money Purchase Plan*

The Town maintains a single-employer defined-contribution money purchase plan that covers part and full-time employees of the Town who fulfill specified requirements. The plan is administered and amended by the Town of Columbia. Current participants total 24 employees.

**TOWN OF COLUMBIA**  
Notes to the Financial Statements

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The plan covers all employees, nonunion and union, who have completed one month of service and work 1,000 hours or more per year. Normal retirement age is at 65. The Town contributes 7% of an eligible employee's pay. All employees become 100% vested immediately after entering.

Employer contributions for the fiscal year ended June 30, 2022 totaled \$104,364. The contribution is calculated on *compensation* paid for the calendar year, as reportable on Form W-2. The plan allows for amendment by the Town as employer. Assets of the fund are invested as directed by plan participants in mutual funds. The employer pays the costs of plan administration. Employees are not required to make contributions to this plan.

**Section 457 Plan**

The Town adopted and administers a deferred compensation pension plan (Town of Columbia 457(b) Plan) to provide benefits at retirement to employees of the Town. The plan is eligible to employees that are permanent, non-seasonal, non-temporary, non-interim, and scheduled to work 1,000 hours per Fiscal Year or more. An exception exists for those employees that are allowed to participate in the Plan pursuant to terms of a collective bargaining agreement between the Town of Columbia and an employee union. An exception also exists for all non-union employees actively enrolled in the Plan prior to July 1, 2011. At June 30, 2022, there were 29 plan members. A provision has been included to allow pre-tax employee contributions up to 100% of compensation, subject to IRS dollar limits of \$19,500 for 2020-2021. Any participant who is age 50 or older could be eligible for a "catch-up" contribution of \$6,500 in 2021-2022. Income accumulates tax-free until distribution from the plan. The Town's required 3% contribution was \$43,094. Contributions are placed into individual participant accounts, where the funds are invested in mutual funds at the employees' discretion. Each participant has ownership of his or her respective accounts. Plan provisions and contribution requirements are established and may be amended by the Town.

**NOTE 9 – FUND BALANCE ASSIGNMENTS**

The components of committed fund balance for the governmental funds at June 30, 2022 are as follows:

Fund balances:	General Fund	Reserve for Capital and Non-Recurring Expenditures	Nonmajor Governmental Funds	Total
Committed to:				
Reserve for Capital	\$ -	\$ 1,254,698	\$ -	\$ 1,254,698
Dog Fund	-	-	6,984	6,984
Land Acquisition Fund	-	-	25,161	25,161
Szegda Farm	-	-	12,998	12,998
Senior Center Fund	-	-	8,304	8,304
Compensated Absences Reserve	6,221	-	-	6,221
Memorial Fund	-	-	792	792
Recreation Fields Rental Fund	-	-	5,703	5,703
Recreation Activities Fund	-	-	28,599	28,599
Agricultural Fund	-	-	708	708
Education Non Lapsing Fund	300,000	-	-	300,000
Total Committed	<u>\$ 306,221</u>	<u>\$ 1,254,698</u>	<u>\$ 89,249</u>	<u>\$ 1,650,168</u>

**NOTE 10 – GASB PRONOUNCEMENTS ISSUED, BUT NOT YET EFFECTIVE**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

GASB Statement No. 91 – *Conduit Debt Obligations* – The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement are effective for the Town’s reporting period beginning July 1, 2022.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this statement are effective for the Town’s reporting period beginning July 1, 2022.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this statement are effective for the Town’s reporting period beginning July 1, 2022.

GASB Statement No. 99 – *Omnibus 2022* - The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for the Town’s reporting period beginning July 1, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the Town’s reporting period beginning July 1, 2023.

GASB Statement No. 100 – *Accounting Changes and Error Corrections* – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for the Town’s reporting period beginning July 1, 2023.

GASB Statement No. 101 – *Compensated Absences* – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognitions and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the Town’s reporting period beginning July 1, 2024.

**TOWN OF COLUMBIA**  
State Teacher's Retirement System  
Proportionate Share of Net Pension Liability and Schedule of Contributions  
June 30, 2022

Schedule of Proportionate Share of Net Pension Liability	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension associated with Town	15,036,568	18,985,363	17,567,758	13,545,762	13,636,722	14,386,846	11,682,199	10,797,852
<b>Total</b>	<b>\$ 15,036,568</b>	<b>\$ 18,985,363</b>	<b>\$ 17,567,758</b>	<b>\$ 13,545,762</b>	<b>\$ 13,636,722</b>	<b>\$ 14,386,846</b>	<b>\$ 11,682,199</b>	<b>\$ 10,797,852</b>
Town's covered payroll	\$ 4,438,394	\$ 4,632,428	\$ 4,616,261	\$ 4,537,221	\$ 4,371,611	\$ 5,077,981	\$ 4,059,834	\$ 3,989,917
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.56%

See accountant's report.



**TOWN OF COLUMBIA**  
 State Teacher's Retirement System  
 Note to Required Supplementary Information  
 Schedule of Proportionate Share of the Net Pension Liability  
 Year-ended June 30, 2022

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Change of benefit terms	None
Actuarial Assumptions	The total pension liability was determined by an actuarial valuation as of June 30, 2021
Actuarial Cost Method	Entry Age
Amortization Period	Level percent of salary, closed
Remaining Amortization Period	30 years
Asset Valuation Method	4 year smoothed market
Inflation	2.50%
Salary Increases	3.00%-6.50% average, including inflation
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation

**TOWN OF COLUMBIA**  
State Teacher's Retirement System  
Proportionate Share of Net OPEB Liability  
June 30, 2022

**Schedule of Proportionate Share of Net OPEB Liability**

	2022	2021	2020	2019	2018
Town's percentage of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	1,638,207	2,831,668	2,739,791	2,707,919	3,509,924
<b>Total</b>	<b>\$ 1,638,207</b>	<b>\$ 2,831,668</b>	<b>\$ 2,739,791</b>	<b>\$ 2,707,919</b>	<b>\$ 3,509,924</b>
Town's covered-employee payroll	\$ 4,438,394	\$ 4,632,428	\$ 4,616,261	\$ 4,537,221	\$ 4,371,611
Town's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll.	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	6.11%	2.50%	2.08%	1.49%	1.79%

**Notes to Schedule**

Actuarial Cost Method	Entry age
Amortization Method	Level percent of payroll over a closed period
Amortization Period	30 years
Asset Valuation Method	Market value of assets
Investment Rate of Return	3.00%, net of investment related expense including price inflation
Price Inflation	2.50%

See accountant's report.

**TOWN OF COLUMBIA**  
Schedule of Changes in Net OPEB Liability and Related Ratios  
June 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service Costs	\$ 17,042	\$ 16,225	\$ 15,262	\$ 13,686	\$ 13,776
Interest	10,006	9,988	18,974	19,811	18,441
Difference between expected and actual experience	42,298	53,264	(118,378)	2,098	8,389
Change in benefit terms	-	-	-	-	-
Change in assumptions	(42,610)	1,917	48,057	18,408	(14,960)
Benefit payments, including refunds of contributions	<u>(64,935)</u>	<u>(76,761)</u>	<u>(30,411)</u>	<u>(23,512)</u>	<u>(33,886)</u>
<b>Net change in total OPEB liability</b>	(38,199)	4,633	(66,496)	30,491	(8,240)
<b>Total OPEB liability, beginning</b>	<u>478,509</u>	<u>473,876</u>	<u>540,372</u>	<u>509,881</u>	<u>518,121</u>
<b>Total OPEB liability, ending (a)</b>	<u>\$ 440,310</u>	<u>\$ 478,509</u>	<u>\$ 473,876</u>	<u>\$ 540,372</u>	<u>\$ 509,881</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - members	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments (based on expected)	-	-	-	-	-
Administrative Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in plan fiduciary net position</b>	-	-	-	-	-
<b>Total fiduciary net position, beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fiduciary net position, ending (b)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Net OPEB liability, ending (a) - (b)</b>	<u>\$ 440,310</u>	<u>\$ 478,509</u>	<u>\$ 473,876</u>	<u>\$ 540,372</u>	<u>\$ 509,881</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Covered-employee payroll</b>	\$ 6,766,699	\$ 6,201,500	\$ 6,056,154	\$ 6,398,900	\$ 6,236,700
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	6.51%	7.72%	7.82%	8.44%	8.18%

See accountant's report.

**TOWN OF COLUMBIA**  
Schedule of Revenues and Expenditures - Budget and Actual  
General Fund  
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Over (Under)
<b>Revenues</b>				
<b>Taxes</b>				
Property Taxes	\$ 14,323,750	\$ 14,327,750	\$ 14,679,440	\$ 351,690
Property Taxes - Prior Years	90,500	86,000	98,476	12,476
Interest and Lien Fees	60,900	61,400	65,245	3,845
Total Taxes	<u>14,475,150</u>	<u>14,475,150</u>	<u>14,843,161</u>	<u>368,011</u>
<b>Licenses, Fees, and Permits</b>				
Real Estate Conveyance Fees	60,000	60,000	94,753	34,753
Building, Machine, and Septic Fees	57,000	57,000	90,345	33,345
Zoning Permit Fees	2,000	2,000	2,565	565
Recording Fees	21,000	21,000	27,442	6,442
Pistol Permit Fees	3,500	3,500	2,800	(700)
Total Licenses, Fees, and Permits	<u>143,500</u>	<u>143,500</u>	<u>217,905</u>	<u>74,405</u>
<b>Intergovernmental Revenue</b>				
Homeland Security Grant	2,500	2,500	1,711	(789)
Education Equalization Grant	2,255,635	2,255,635	2,310,989	55,354
Special Education Grant	35,000	35,000	87,499	52,499
Disabled Persons Tax Grant	-	-	593	593
Veterans Relief	-	-	3,050	3,050
PILOT - State Property	6,366	6,366	6,366	-
PILOT - Pequot	4,857	4,857	4,857	-
Municipal Projects/Stabilization Grant	55,156	55,156	55,156	-
STEAP	-	-	1,948	1,948
LOCIP	80,106	80,106	-	(80,106)
Total Intergovernmental Revenues	<u>2,439,620</u>	<u>2,439,620</u>	<u>2,472,169</u>	<u>32,549</u>
<b>Charges for Services</b>				
Notary Fees	350	350	176	(174)
Photocopy Fees	5,000	5,000	7,310	2,310
Planning and Zoning Commission Fees	2,500	2,500	1,950	(550)
Zoning Board of Appeals Fees	1,500	1,500	175	(1,325)
Inland/Wetland Fees	3,000	3,000	6,400	3,400
Town Clerk Fees	4,500	4,500	7,142	2,642
Senior Center Van and Facility Services	1,500	2,500	2,708	208
Total Charges for Services	<u>\$ 18,350</u>	<u>\$ 19,350</u>	<u>\$ 25,861</u>	<u>\$ 6,511</u>

**TOWN OF COLUMBIA**  
Schedule of Revenues and Expenditures - Budget and Actual  
General Fund  
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Over (Under)
<b>Other Revenues</b>				
Interest on Investments	\$ 7,500	\$ 7,500	\$ 5,403	\$ (2,097)
Passport Fees	2,000	2,000	1,295	(705)
Facilities Rental	2,000	1,000	400	(600)
Boating Fees	2,500	2,500	4,125	1,625
Beach Use and Concession Fees	30,000	30,000	31,489	1,489
Transfer Station Fees	28,000	28,000	32,807	4,807
Transfer Station Sticker Fees	38,000	38,000	43,950	5,950
Preschool	40,000	40,000	66,672	26,672
State Fees- Land Use Dept	200	200	429	229
Telephone Access Grant	8,500	8,500	8,370	(130)
Miscellaneous	8,000	8,000	13,532	5,532
Court Fines	2,800	2,800	930	(1,870)
Total Other Revenues	<u>169,500</u>	<u>168,500</u>	<u>209,402</u>	<u>40,902</u>
<b>Other Sources</b>				
Transfers In - Recreation	10,000	10,000	8,827	(1,173)
Appropriated from Surplus	<u>558,360</u>	<u>633,360</u>	<u>-</u>	<u>(633,360)</u>
Total Other Sources	<u>568,360</u>	<u>643,360</u>	<u>8,827</u>	<u>(634,533)</u>
Total Revenues	<u>17,814,480</u>	<u>17,889,480</u>	<u>17,777,325</u>	<u>(112,155)</u>
<b>Expenditures</b>				
<b>General Government</b>				
Town Meeting	2,851	2,851	2,733	(118)
Executive and Administrative	912,443	905,431	878,660	(26,771)
Information Technology	72,500	72,500	48,285	(24,215)
Old Firehouse Building	3,100	3,100	2,571	(529)
Chapel on The Green	3,000	3,000	1,959	(1,041)
Meeting House	4,336	4,336	3,720	(616)
Judicial and Legal	55,000	55,000	32,064	(22,936)
Registration and Election	34,160	34,160	14,185	(19,975)
Assessment	149,155	144,525	131,484	(13,041)
Tax Collection	87,290	88,169	85,156	(3,013)
Public Records	121,752	121,752	115,475	(6,277)
Financial and Planning Allocation	26,525	26,525	25,542	(983)
Finance Department	233,431	233,431	226,472	(6,959)
Tax Review Services	1,270	1,700	1,275	(425)
Total General Government	<u>\$ 1,706,813</u>	<u>\$ 1,696,480</u>	<u>\$ 1,569,581</u>	<u>\$ (126,899)</u>

**TOWN OF COLUMBIA**  
Schedule of Revenues and Expenditures - Budget and Actual  
General Fund  
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Over (Under)
<b>Health and Human Services</b>				
Health Care and Inspection	\$ 31,680	\$ 31,680	\$ 30,580	\$ (1,100)
Social Services	40,388	40,388	38,441	(1,947)
Elderly Services	97,206	100,658	99,070	(1,588)
Senior Center	101,532	104,712	96,749	(7,963)
Youth Services	48,975	48,975	48,970	(5)
Total Health and Human Services	<u>319,781</u>	<u>326,413</u>	<u>313,810</u>	<u>(12,603)</u>
<b>Public Safety</b>				
Police Protection	182,000	182,000	178,997	(3,003)
Fire Fighting and Emergency Services	251,900	266,419	266,418	(1)
Fire Prevention Services	28,217	28,217	25,688	(2,529)
Emergency Director	4,626	4,626	3,187	(1,439)
Lake Management Services	23,481	25,301	24,247	(1,054)
Total Public Safety	<u>490,224</u>	<u>506,563</u>	<u>498,537</u>	<u>(8,026)</u>
<b>Public Works</b>				
Public Works	662,441	671,441	619,362	(52,079)
Waste Disposal	238,721	238,721	218,569	(20,152)
Street Lighting	13,500	13,500	8,753	(4,747)
Total Public Works	<u>914,662</u>	<u>923,662</u>	<u>846,684</u>	<u>(76,978)</u>
<b>Building and Development Services</b>				
Planning and Zoning Commission	85,932	85,932	77,788	(8,144)
Inland/Wetland Commission	23,100	40,400	38,655	(1,745)
Building Services	185,365	185,365	182,475	(2,890)
Conservation Commission	1,255	1,255	55	(1,200)
Building Appeal Services	350	359	359	-
Land Use Department	68,324	70,264	62,239	(8,025)
Total Buildings and Development	<u>364,326</u>	<u>383,575</u>	<u>361,571</u>	<u>(22,004)</u>
<b>Recreation</b>				
Public Celebrations	7,700	7,954	7,953	(1)
Library Services	421,428	421,428	421,428	-
Lake Management Advisory	23,093	23,093	14,914	(8,179)
Beach Services	44,323	38,423	34,735	(3,688)
Recreation Area Operations	13,406	18,406	15,796	(2,610)
Recreation	85,136	86,636	84,909	(1,727)
Total Recreation	<u>595,086</u>	<u>595,940</u>	<u>579,735</u>	<u>(16,205)</u>
Total General Government Expenditures	<u>\$ 4,390,892</u>	<u>\$ 4,432,633</u>	<u>\$ 4,169,918</u>	<u>\$ (262,715)</u>

**TOWN OF COLUMBIA**  
Schedule of Revenues and Expenditures - Budget and Actual  
General Fund  
For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Over (Under)
<b>Education</b>				
Certified Salaries	\$ 4,752,966	\$ 4,686,252	\$ <b>4,686,252</b>	\$ -
Non-Certified Salaries	1,083,629	1,174,440	<b>1,174,440</b>	-
Anthem Blue Cross/Blue Shield	1,181,963	1,105,640	<b>1,105,640</b>	-
Life Insurance	8,310	8,094	<b>8,094</b>	-
Social Security	80,000	84,500	<b>84,500</b>	-
Medicare	85,000	85,274	<b>85,274</b>	-
Unemployment	33,748	4,118	<b>4,118</b>	-
Workers' Compensation	75,000	70,789	<b>70,789</b>	-
Other Benefit Fund	66,104	66,173	<b>66,173</b>	-
Board of Education Services	25,000	50,224	<b>50,224</b>	-
Instructional Improvement/Pupil Services	6,388	4,472	<b>4,472</b>	-
Professional/Technical Services	156,908	147,210	<b>147,210</b>	-
Technical Services	255,660	287,225	<b>287,225</b>	-
Water/Sewage	6,500	2,835	<b>2,835</b>	-
Sanitary Refuse	9,500	10,107	<b>10,107</b>	-
Snow Plowing	24,750	25,500	<b>25,500</b>	-
Repairs/Maintenance	44,400	233,937	<b>233,937</b>	-
Rentals	33,500	26,126	<b>26,126</b>	-
Student Transportation	793,712	719,745	<b>719,745</b>	-
Property Insurance	63,500	59,160	<b>59,160</b>	-
Telephone	8,000	10,237	<b>10,237</b>	-
Postage	6,000	2,081	<b>2,081</b>	-
Advertising	-	865	<b>865</b>	-
Tuition	3,628,687	3,308,889	<b>3,217,239</b>	(91,650)
Travel	5,495	1,048	<b>1,048</b>	-
Supplies	93,694	192,098	<b>192,098</b>	-
Maintenance and Custodial Supplies	22,000	24,089	<b>24,089</b>	-
Electricity	117,000	111,023	<b>111,023</b>	-
Propane Gas	5,500	3,006	<b>3,006</b>	-
Heating Oil	61,000	80,989	<b>80,989</b>	-
Diesel	44,000	31,539	<b>31,539</b>	-
Software	41,300	37,071	<b>37,071</b>	-
Textbooks/Ancillary Materials	19,808	80,129	<b>80,129</b>	-
Library Books	6,300	6,520	<b>6,520</b>	-
Periodicals/Magazines	3,188	3,195	<b>3,195</b>	-
Equipment	21,650	128,708	<b>128,708</b>	-
Dues/Fees	13,782	10,634	<b>10,634</b>	-
<b>Total Board of Education Expenditures</b>	<b>\$ 12,883,942</b>	<b>\$ 12,883,942</b>	<b>\$ 12,792,292</b>	<b>(91,650)</b>

**TOWN OF COLUMBIA**

Schedule of Revenues and Expenditures - Budget and Actual  
 General Fund  
 For the Year Ended June 30, 2022

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	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
<b>Miscellaneous</b>				
Debt Service	\$ -	\$ -	\$ -	\$ -
Contingency	78,000	22,559	-	(22,559)
Interfund Transfers	<u>461,646</u>	<u>550,346</u>	<b>550,346</b>	-
Total Miscellaneous	<u>539,646</u>	<u>572,905</u>	<b>550,346</b>	<u>(22,559)</u>
Total Expenditures	<u>17,814,480</u>	<u>17,889,480</u>	<b>17,512,556</b>	<u>(376,924)</u>
<b>Surplus/(Deficiency) of Revenues over Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<b>\$ 264,769</b>	<u>\$ 264,769</u>



**TOWN OF COLUMBIA**  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2022

	<b>Special Revenue Funds</b>					
	Dog Fund	D.A.R.E. Education	Town Aid Road Fund	Open Space Acquisition	Historic Document Preservation Fund	Szegda Farm
<b>Assets</b>						
Cash and cash equivalents	\$ 10,800	\$ 1,057	\$ -	\$ 25,161	\$ -	\$ -
State and federal grants receivable	-	-	-	-	-	-
Interfund receivables	-	-	60	-	6,338	12,998
<b>Total assets</b>	<u>\$ 10,800</u>	<u>\$ 1,057</u>	<u>\$ 60</u>	<u>\$ 25,161</u>	<u>\$ 6,338</u>	<u>\$ 12,998</u>
<b>Liabilities and fund balances</b>						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	810	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Interfund payables	-	2	-	-	-	-
Due to State of CT	3,006	-	-	-	-	-
Total liabilities	<u>3,816</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	1,055	60	-	6,338	-
Committed	6,984	-	-	25,161	-	12,998
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>6,984</u>	<u>1,055</u>	<u>60</u>	<u>25,161</u>	<u>6,338</u>	<u>12,998</u>
<b>Total liabilities and fund balances</b>	<u>\$ 10,800</u>	<u>\$ 1,057</u>	<u>\$ 60</u>	<u>\$ 25,161</u>	<u>\$ 6,338</u>	<u>\$ 12,998</u>

See accountant's report.

**TOWN OF COLUMBIA**  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2022

	<b>Special Revenue Funds</b>					
	Senior Center Fund	Land Protection Fund	Education Grants Fund	Memorial Fund	Recreation Fields Rental Fund	Recreation Activities Fund
<b>Assets</b>						
Cash and cash equivalents	\$ 100	\$ -	\$ 271	\$ -	\$ 6,203	\$ 60
State and federal grants receivable	-	-	-	-	-	-
Interfund receivables	10,091	79,806	-	792	-	32,077
<b>Total assets</b>	<b><u>\$ 10,191</u></b>	<b><u>\$ 79,806</u></b>	<b><u>\$ 271</u></b>	<b><u>\$ 792</u></b>	<b><u>\$ 6,203</u></b>	<b><u>\$ 32,137</u></b>
<b>Liabilities and fund balances</b>						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -
Accrued expenses	1,887	-	-	-	-	-
Unearned revenue	-	-	-	-	-	3,538
Interfund payables	-	-	-	-	-	-
Due to State of CT	-	-	-	-	-	-
Total liabilities	<u>1,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>3,538</u>
<b>Fund balances:</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	79,806	271	-	-	-
Committed	8,304	-	-	792	5,703	28,599
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>8,304</u>	<u>79,806</u>	<u>271</u>	<u>792</u>	<u>5,703</u>	<u>28,599</u>
<b>Total liabilities and fund balances</b>	<b><u>\$ 10,191</u></b>	<b><u>\$ 79,806</u></b>	<b><u>\$ 271</u></b>	<b><u>\$ 792</u></b>	<b><u>\$ 6,203</u></b>	<b><u>\$ 32,137</u></b>

See accountant's report.

**TOWN OF COLUMBIA**  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2022

	<b>Special Revenue Funds</b>						
	Social Services Needs Fund	Agricultural Fund	Student Activities Fund	Brand Memorial Trust	Small Cities Housing Rehabilitation	Environmental Fees Fund	Total
<b>Assets</b>							
Cash and cash equivalents	\$ 19,958	\$ -	\$ 18,290	\$ 11,781	\$ 55,636	\$ -	\$ 149,317
State and federal grants receivable	-	-	-	-	-	-	-
Interfund receivables	-	708	-	-	-	3,084	145,954
<b>Total assets</b>	<u>\$ 19,958</u>	<u>\$ 708</u>	<u>\$ 18,290</u>	<u>\$ 11,781</u>	<u>\$ 55,636</u>	<u>\$ 3,084</u>	<u>\$ 295,271</u>
<b>Liabilities and fund balances</b>							
Liabilities:							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Accrued expenses	-	-	-	-	-	-	2,697
Unearned revenue	-	-	-	-	-	3,084	6,622
Interfund payables	-	-	-	-	-	-	2
Due to State of CT	-	-	-	-	-	-	3,006
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,084</u>	<u>12,827</u>
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	19,958	-	18,290	11,781	55,636	-	193,195
Committed	-	708	-	-	-	-	89,249
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>19,958</u>	<u>708</u>	<u>18,290</u>	<u>11,781</u>	<u>55,636</u>	<u>-</u>	<u>282,444</u>
<b>Total liabilities and fund balances</b>	<u>\$ 19,958</u>	<u>\$ 708</u>	<u>\$ 18,290</u>	<u>\$ 11,781</u>	<u>\$ 55,636</u>	<u>\$ 3,084</u>	<u>\$ 295,271</u>

See accountant's report.

**TOWN OF COLUMBIA**

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended June 30, 2022

	<b>Special Revenue Funds</b>					
	Dog Fund	D.A.R.E. Education	Town Aid Road Fund	Open Space Acquisition	Historic Document Preservation Fund	Szedga Farm
<b>Revenues</b>						
Licenses, fees, and permits	\$ 1,702	\$ -	\$ -	\$ -	\$ 1,454	\$ -
Intergovernmental	-	-	205,292	-	5,500	-
Contributions	-	-	-	-	-	520
Other revenues	-	4,925	-	1,000	-	-
Investment earnings	29	-	-	72	-	-
Total revenues	<u>1,731</u>	<u>4,925</u>	<u>205,292</u>	<u>1,072</u>	<u>6,954</u>	<u>520</u>
<b>Expenditures</b>						
Current:						
General government	-	-	-	-	6,320	1,498
Health and human services	-	5,522	-	-	-	-
Public safety	19,756	-	-	-	-	-
Recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-
Total expenditures	<u>19,756</u>	<u>5,522</u>	<u>-</u>	<u>-</u>	<u>6,320</u>	<u>1,498</u>
Excess (deficiency) of revenues over expenditures	(18,025)	(597)	205,292	1,072	634	(978)
<b>Other financing sources (Uses)</b>						
Transfers in	16,200	-	-	-	-	3,000
Transfers out	-	-	(245,162)	-	-	-
Total other financing sources	<u>16,200</u>	<u>-</u>	<u>(245,162)</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Net change in fund balances	(1,825)	(597)	(39,870)	1,072	634	2,022
<b>Fund balances - beginning</b>	<u>8,809</u>	<u>1,652</u>	<u>39,930</u>	<u>24,089</u>	<u>5,704</u>	<u>10,976</u>
<b>Fund balances - ending</b>	<u>\$ 6,984</u>	<u>\$ 1,055</u>	<u>\$ 60</u>	<u>\$ 25,161</u>	<u>\$ 6,338</u>	<u>\$ 12,998</u>

**TOWN OF COLUMBIA**

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended June 30, 2022

	<b>Special Revenue Funds</b>					
	Senior Center Fund	Land Protection Fund	Education Grants Fund	Memorial Fund	Recreation Fields Rental Fund	Recreation Activities Fund
<b>Revenues</b>						
Licenses, fees, and permits	\$ -	\$ 16,302	\$ -	\$ -	\$ 1,300	\$ 19,701
Intergovernmental	-	-	364,131	-	-	-
Contributions	-	-	-	-	-	1,639
Other revenues	5,524	-	-	-	-	-
Investment earnings	-	-	-	-	15	-
Total revenues	<u>5,524</u>	<u>16,302</u>	<u>364,131</u>	<u>-</u>	<u>1,315</u>	<u>21,340</u>
<b>Expenditures</b>						
Current:						
General government	-	2,993	-	-	-	-
Health and human services	2,501	-	-	-	-	-
Public safety	-	-	-	-	-	-
Recreation	-	-	-	-	76	12,694
Education	-	-	364,131	-	-	-
Capital expenditures	-	-	-	-	-	-
Total expenditures	<u>2,501</u>	<u>2,993</u>	<u>364,131</u>	<u>-</u>	<u>76</u>	<u>12,694</u>
Excess (deficiency) of revenues over expenditures	3,023	13,309	-	-	1,239	8,646
<b>Other financing sources (Uses)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(8,827)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,827)</u>
Net change in fund balances	3,023	13,309	-	-	1,239	(181)
<b>Fund balances - beginning</b>	<u>5,281</u>	<u>66,497</u>	<u>271</u>	<u>792</u>	<u>4,464</u>	<u>28,780</u>
<b>Fund balances - ending</b>	<u>\$ 8,304</u>	<u>\$ 79,806</u>	<u>\$ 271</u>	<u>\$ 792</u>	<u>\$ 5,703</u>	<u>\$ 28,599</u>

**TOWN OF COLUMBIA**

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended June 30, 2022

	<b>Special Revenue Funds</b>						Total
	Social Services Needs Funds	Agricultural Fund	Student Activities Fund	Brand Memorial Trust	Small Cities Housing Rehabilitation	Environmental Fees Fund	
<b>Revenues</b>							
Licenses, fees, and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,459
Intergovernmental	-	-	-	-	-	-	574,923
Contributions	7,738	-	-	-	-	-	9,897
Other revenues	-	-	45,648	-	1,808	-	58,905
Investment earnings	-	-	-	28	-	-	144
<b>Total revenues</b>	<b>7,738</b>	<b>-</b>	<b>45,648</b>	<b>28</b>	<b>1,808</b>	<b>-</b>	<b>684,328</b>
<b>Expenditures</b>							
Current:							
General government	-	-	42,713	-	-	-	53,524
Health and human services	5,384	-	-	-	-	-	13,407
Public safety	-	-	-	-	-	-	19,756
Recreation	-	-	2,585	-	-	-	15,355
Education	-	-	-	-	-	-	364,131
Capital expenditures	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>5,384</b>	<b>-</b>	<b>45,298</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>466,173</b>
Excess (deficiency) of revenues over expenditures	2,354	-	350	28	1,808	-	218,155
<b>Other financing sources (Uses)</b>							
Transfers in	-	-	-	-	-	-	19,200
Transfers out	-	-	-	-	-	-	(253,989)
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(234,789)</b>
Net change in fund balances	2,354	-	350	28	1,808	-	(16,634)
<b>Fund balances - beginning</b>	<b>17,604</b>	<b>708</b>	<b>17,940</b>	<b>11,753</b>	<b>53,828</b>	<b>-</b>	<b>299,078</b>
<b>Fund balances - ending</b>	<b>\$ 19,958</b>	<b>\$ 708</b>	<b>\$ 18,290</b>	<b>\$ 11,781</b>	<b>\$ 55,636</b>	<b>\$ -</b>	<b>\$ 282,444</b>

**TOWN OF COLUMBIA**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Position  
 June 30, 2022

	Private-Purpose Trust Funds			Total
	Scholarship Funds	Cemetery Funds	School Trust Fund	
<b>Assets</b>				
Cash and cash equivalents	\$ 10,063	\$ 888	\$ 397	\$ 11,348
<b>Total assets</b>	\$ 10,063	\$ 888	\$ 397	\$ 11,348
<b>Deferred Outflows of Resources</b>	-	-	-	-
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
<b>Total liabilities</b>	-	-	-	-
<b>Deferred Inflows of Resources</b>	-	-	-	-
<b>Net position</b>				
Restricted for Scholarships and Other Purposes	10,063	888	397	11,348
<b>Total net position</b>	\$ 10,063	\$ 888	\$ 397	\$ 11,348

See accountant's report.

**TOWN OF COLUMBIA**  
Fiduciary Funds - Private-Purpose Trust Funds  
Combining Statement of Change in Fiduciary Net Position  
For the Year Ended June 30, 2022

	Private-Purpose Trust Funds			
	Scholarship Funds	Cemetery Funds	School Trust Fund	Total
<b>Additions</b>				
Contributions	\$ -	\$ -	\$ -	\$ -
Investment earnings	1	-	-	1
Total additions	1	-	-	1
<b>Deductions</b>				
Other Expenses	630	42	-	672
Payments for Student Activities	-	-	-	-
Scholarships	-	-	-	-
Total deductions	630	42	-	672
<b>Other financing sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Change in net position	(629)	(42)	-	(671)
<b>Net position - beginning</b>	10,692	930	397	12,019
<b>Net position - ending</b>	\$ 10,063	\$ 888	\$ 397	\$ 11,348

See accountant's report.



**TOWN OF COLUMBIA**  
 Schedule of Property Taxes Levied, Collected, and Outstanding  
 For The Year Ended June 30, 2022

	Outstanding <u>July 1, 2021</u>	Current <u>Levy</u>	<u>Lawful Corrections</u>		Collectible <u>Taxes</u>	Receipt of <u>Taxes</u>	Receipt of Interest and Liens	Total <u>Receipts</u>	Transfers to <u>Suspense</u>	Outstanding <u>June 30, 2022</u>
			<u>Additions</u>	<u>Deductions</u>						
List of 10/1: 2020		\$ 14,861,492		\$ 39,209	14,822,283	\$ 14,674,297	\$ 39,399	14,713,696	\$ 91	\$ 147,894
2019	144,994		201	-	145,195	81,122	15,695	96,817	-	64,073
2018	50,727	-	-	170	50,557	12,815	5,490	18,305	-	37,742
2017	26,823	-	-	-	26,823	3,450	984	4,434	6,285	17,088
2016	11,725	-	-	-	11,725	70	677	747	342	11,313
2015	6,534	-	-	-	6,534	-	-	-	204	6,330
2014	4,217	-	-	-	4,217	-	-	-	-	4,217
2013	3,969	-	-	-	3,969	-	170	170	-	3,969
2012	3,000	-	-	-	3,000	-	-	-	-	3,000
2011	3,100	-	-	-	3,100	-	-	-	-	3,100
2010	2,675	-	-	-	2,675	-	-	-	-	2,675
2009	3,000	-	-	-	3,000	-	-	-	-	3,000
2008	3,000	-	-	-	3,000	-	-	-	-	3,000
2007	2,309	-	-	-	2,309	-	-	-	-	2,309
2006	5,659	-	-	-	5,659	-	-	-	-	5,659
	<b>\$ 271,732</b>	<b>\$ 14,861,492</b>	<b>\$ 201</b>	<b>\$ 39,379</b>	<b>\$ 15,094,046</b>	<b>14,771,754</b>	<b>62,415</b>	<b>14,834,169</b>	<b>\$ 6,922</b>	<b>315,369</b>
										<u>1,079</u>
<i>Net Grand List- October 1, 2019: \$497,948,453</i>					Suspense collections	<u>2,323</u>	<u>3,172</u>			<b>316,448</b>
<i>Tax Rate: 29.33 mills</i>					<b>Total collections</b>	<b>\$ 14,774,077</b>	<b>\$ 65,587</b>	<b>\$ 14,839,664</b>		

See accountant's report.

**TOWN OF COLUMBIA**  
Schedule of Debt Limitation  
June 30, 2021

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Total Tax Collections (Prior Year) - including interest and lien fees  
Received by Treasurer \$ 14,829,578

**Reimbursement for revenue loss on:**

Tax relief for elderly (Prior Year) -  
Base \$ 14,829,578

<b>Debt limitation:</b>	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>
2 1/4 times base	\$ 33,366,551	\$ -	\$ -	\$ -
4 1/2 times base	-	66,733,101	-	-
3 3/4 times base	-	-	55,610,918	-
3 1/4 times base	-	-	-	48,196,129
Total debt limitation	<u>33,366,551</u>	<u>66,733,101</u>	<u>55,610,918</u>	<u>48,196,129</u>

**Indebtedness:**

	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Debt limitation in excess of  
outstanding and authorized debt \$ 33,366,551   \$ 66,733,101   \$ 55,610,918   \$ 48,196,129

**NOTE:**

In no case should this total indebtedness exceed  
seven times the base \$14,829,578 or \$103,807,046

**TOWN OF COLUMBIA**  
 Budgetary Comparison Schedule  
 Reserve for Capital and Non-Recurring Expenditures  
 For the Year Ended June 30, 2022

	Budget Appropriations July 1, 2021	21/22 Adopted Appropriations	21/22 Adopted Cancellations	Mid-Year Approp., Adjs. and Transfers	Adjusted Appropriations	Current Year Expenditures	Balance Appropriated June 30, 2022
Reserved for active projects:							
Road Resurfacing	\$ 102,340	\$ 270,000	\$ -	\$ -	\$ 372,340	\$ 20,900	\$ 351,440
Box Culvert Replacement/Repair	248,345	125,000	-	-	373,345	47,375	325,970
Town land Acquisition	-	-	-	-	-	-	-
Hennequin Road Drainage	109,627	(60,000)	-	-	49,627	-	49,627
Erdoni Road Drainage	5,074	-	-	-	5,074	-	5,074
Preliminary Design & Cost Estimates	17,114	-	-	-	17,114	12,319	4,795
Rec Area Improvement Fund	60,337	-	-	75,000	135,337	114,992	20,345
Four Year Revaluation	111,591	-	-	-	111,591	92,547	19,044
Town-Wide Network/ IT	2,032	-	-	-	2,032	-	2,032
DPW Capital Equipment	26,808	120,500	-	-	147,308	139,159	8,149
DPW Transfer Station Equipment	20,865	5,000	-	-	25,865	-	25,865
Facilities Equipment	7,389	(4,500)	-	-	2,889	93	2,796
Facilities Cap Improv - Buildings	84,958	-	-	-	84,958	26,774	58,184
DPW Cap Improv - Buildings	-	-	-	-	-	-	-
HWP Driveway & Sidewalks	-	20,000	-	-	20,000	-	20,000
Bridge On Hop River Road	113,000	55,974	-	-	168,974	-	168,974
HWP Floor Replacement/Repair	9,460	5,000	-	-	14,460	-	14,460
HWP Security Project	-	-	-	-	-	-	-
HWP Window Replacement/Repair	12,496	-	-	-	12,496	-	12,496
Bridge on Latham Hill	15,000	-	-	-	15,000	-	15,000
HWP Ceiling Tile Replacement	6,259	-	-	-	6,259	-	6,259
HWP Painting	10,000	-	-	-	10,000	-	10,000
HWP Emergency Generator	666	(666)	-	-	-	-	-
HWP All-Weather Track	8,069	35,000	-	-	43,069	4,904	38,165
Hazardous Tree Removal/Trim	1,725	100,000	-	-	101,725	66,677	35,048
Pucker St Bridge / Rose Bridge Road	4,718	1,238	-	-	5,956	1,948	4,008
Senior Center Furnishings	5,974	-	-	-	5,974	4,983	991
Village Hill Road Bridge	1,963	(1,963)	-	-	-	-	-
CVFD Capital Projects	2,475	-	-	-	2,475	-	2,475
<b>Total Reserve for Active Projects</b>	<b>988,285</b>	<b>670,583</b>	<b>-</b>	<b>75,000</b>	<b>1,733,868</b>	<b>532,671</b>	<b>1,201,197</b>
Designated for Future Projects:							
Land Acquisition	101,001	-	-	-	101,001	47,500	53,501
<b>Total Designated for Future Projects</b>	<b>101,001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101,001</b>	<b>47,500</b>	<b>53,501</b>
<b>Total Capital and Non-Recurring</b>	<b>\$ 1,089,286</b>	<b>\$ 670,583</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>\$ 1,834,869</b>	<b>\$ 580,171</b>	<b>\$ 1,254,698</b>

See accountant's report.

Compliance  
Reports and  
Supplementary  
Schedules



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Financial Planning and Allocation Commission of  
The Town of Columbia, CT

We have audited, 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 the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Columbia, CT, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Columbia, CT's basic financial statements, and have issued our report thereon dated January 30, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Columbia, CT's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Columbia, CT's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Columbia, CT's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Columbia, CT's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Town of Columbia, CT's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Columbia, CT's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



King, King & Associates, CPAs  
Winsted, CT  
January 30, 2023



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE  
OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE  
AUDIT ACT**

To the Financial Planning and Allocation Commission of  
The Town of Columbia, CT

**Report on Compliance for Each Major State Program**

We have audited the Town of Columbia, CT's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town of Columbia, CT's major state programs for the year ended June 30, 2022. The Town of Columbia, CT's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Town of Columbia, CT's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town of Columbia, CT's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Town of Columbia, CT's compliance.

**Opinion on Each Major State Program**

In our opinion, the Town of Columbia, CT, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

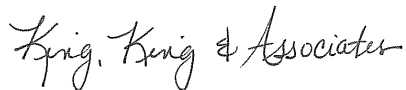
## Report on Internal Control over Compliance

Management of the Town of Columbia, CT, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Columbia, CT's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Columbia, CT's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.



King, King & Associates, CPAs  
Winsted, CT  
January 30, 2023



**Town of Columbia**  
Schedule of Expenditures of State Financial Assistance  
For the Year Ended June 30, 2022

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Core-CT Number	Expenditures
<b>Department of Education</b>		
Adult Education	11000-SDE64370-17030	\$ 2,352
Talent Development	11000-SDE64370-12552	372
<b>Department of Children and Families</b>		
Youth Service Bureau	11000-DCF91141-17052	14,187
Youth Service Bureau Enhancement	11000-DCF91141-17107	5,737
<b>Department of Justice</b>		
Public Acts	34001-JUD95162-40001	770
<b>Connecticut State Library</b>		
Historic Preservation	12060-CSL66094-35150	5,500
<b>Office of Policy and Management</b>		
MRSA Tiered Pilot	12060-OPM20600-35691	1,669
Tiered Pilot	11000-OPM20600-17111	4,697
Veteran's Exemptions	11000-OPM20600-17024	3,050
Tax Relief for Disabled	11000-OPM20600-17011	593
Municipal Grants-in-aid	12052-OPM20600-43587	26,763
<b>Department of Transportation</b>		
Small Town Economic Assistance Program	12052-DOT57131-40532	1,948
Town Aid Road-Municipal	12052-DOT57131-43455	10,450
Town Aid Road-STO	13033-DOT57131-43459	10,450
<b>Total State Financial Assistance before exempt programs</b>		<b>\$ 88,538</b>
<b>EXEMPT PROGRAMS</b>		
<b>Office of Policy and Management</b>		
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	4,857
Municipal Stabilization Grant	11000-OPM20600-17104	28,393
<b>Department of Education</b>		
Education Cost Sharing	11000-SDE64000-17041	2,310,989
Excess Cost Student Based and Equity	11000-SDE64000-17047	87,499
<b>Total Exempt Programs</b>		<b>2,431,738</b>
<b>Total State Financial Assistance</b>		<b>\$ 2,520,276</b>

See notes to schedule.

**TOWN OF COLUMBIA, CT**  
Notes to Schedule of Expenditures of State Financial Assistance  
For the Year Ended June 30, 2022

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The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Columbia, CT under programs of the State of Connecticut for the fiscal year ended June 30, 2022. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, historic preservation, construction, and maintenance of public roads.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town of Columbia, CT conform to accounting principles generally accepted in the United States of America as applicable to governments.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

**Basis of Accounting**

The fund financial statements contained in the Town of Columbia's annual audit report are prepared on the modified accrual basis of accounting. Under this method revenues are recognized when they become measurable and available while expenditures are generally recognized when the related fund liability is incurred.

The government-wide financial statements are prepared on the accrual basis of accounting. Under this method revenues are recorded when earned while expenses are recorded when a liability is incurred.

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations of the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

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**TOWN OF COLUMBIA, CT**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2022

**I. SUMMARY OF AUDIT RESULTS**

*Financial Statements*

We audited the financial statements of the Town of Columbia, CT as of and for the year ended June 30, 2022 and issued our unmodified report thereon dated January 30, 2023.

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes    ✓ No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes    ✓ None Reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes    ✓ No

*State Financial Assistance*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes    ✓ No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes    ✓ None Reported

We have issued an unmodified opinion relating to compliance for major State programs.

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? \_\_\_\_\_ Yes    ✓ No

The following schedule reflects the major programs included in the audit:

<b><u>State Grantor and Program</u></b>	<b><u>State Core - CT Number</u></b>	<b><u>Expenditures</u></b>
Office of Policy and Management Municipal Grants in Aid	12052-OPM20600-43587	26,763

Dollar threshold used to distinguish between type A and type B programs \$ 100,000

## **II. FINANCIAL STATEMENT FINDINGS**

- We issued reports, dated January 30, 2023, on internal control over financial reporting and on compliance and other matters based on our audit of financial statements performed in accordance with *Government Auditing Standards*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no significant deficiencies.

## **III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

- No findings or questioned costs are reported relating to State Financial Assistance Programs.