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# **TOWN OF COLUMBIA, CONNECTICUT**

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Annual Financial Statements

For the Year Ended June 30, 2023

**TOWN OF COLUMBIA, CONNECTICUT**  
Table of Contents  
For the Year Ended June 30, 2023

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	<u>Page</u>
<b>INDEPENDENT AUDITOR’S REPORT</b>	1
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b>	4
<b>BASIC FINANCIAL STATEMENTS:</b>	
<i>Government-Wide Financial Statements:</i>	
Statement of Net Position	13
Statement of Activities	14
<i>Fund Financial Statements:</i>	
<b>Governmental Funds</b>	
Balance Sheet	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes in Fund Balances	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures, and Changes in Fund Balance Budgetary Basis – Budget and Actual – General Fund	19
<b>Fiduciary Funds</b>	
Statement of Fiduciary Net Position	20
Statement of Changes in Fiduciary Net Position	21
Notes to the Financial Statements	22
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
<b>Pension and OPEB Plans</b>	
State Teacher’s Retirement System:	
Proportionate Share of Net Pension Liability	48
Other Post-Employment Benefits (OPEB) Plan:	
Schedule of Changes in Total OPEB Liability	49
State Teacher’s Retirement System:	
Proportionate Share of Net OPEB Liability	50

# TOWN OF COLUMBIA, CONNECTICUT

## Table of Contents

For the Year Ended June 30, 2023

---

	<u>Page</u>
<b>SUPPLEMENTAL, COMBINING AND INDIVIDUAL NONMAJOR FUND STATEMENTS AND SCHEDULES</b>	
<b>General Fund</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis)	51
<b>Nonmajor Governmental Funds</b>	
Combining Balance Sheet	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	57
<b>Fiduciary Funds</b>	
<b>Private Purpose Trust Funds</b>	
Combining Statement of Fiduciary Net Position	60
Combining Statement of Changes in Fiduciary Net Position	61
<b>Supplemental Schedules</b>	
Budgetary Comparison Schedule – Reserve for Capital and Nonrecurring Expenditures Fund	62
Schedule of Property Taxes Levied, Collected, and Outstanding	63
Schedule of Debt Limitation	64

# **Financial Section**



## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### **Opinions**

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 (the "Town") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town'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, 2023, 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 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 aggregate, they would influence the judgment 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 judgment 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 judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the Town'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 4-10, and 46-48 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's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, and other supplemental schedules 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 and the other supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2024, on our consideration of the Town's internal control over financial reporting and on our test 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'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's internal control over financial reporting and compliance.



King, King & Associates, P.C., CPAs  
Winsted, CT  
February 23, 2024

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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As management of the Town of Columbia, CT (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Town of Columbia, CT exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$23,139,755 (*net position*). Of this amount, \$7,391,247 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased \$588,821.
- As of the close of the current fiscal year, the Town of Columbia, CT's governmental funds reported combined ending fund balances of \$7,946,938, an increase of \$569,048 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,646,610 or 20.6 percent of total General Fund budgeted expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is 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. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of 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, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator whether the financial position of the Town of Columbia, CT is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town of Columbia, CT that are principally supported by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Town has no business-type activities. The governmental activities of the Town of Columbia, CT include education, public works, public safety, health and welfare, recreation, and general government. Property taxes, state and federal grants, and local revenues such as fees and licenses finance most of these activities.



**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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The government-wide financial statements can be found on pages 11-12 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.

The Town of Columbia, CT, maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Reserve for Capital and Nonrecurring Expenditures Fund, and the American Relief Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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 13-17 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 18-19 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 20-45 of this report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$23,136,553 at the close of the most recent fiscal year.

SUMMARY STATEMENT OF NET POSITION

	2023	2022	Variance
Current and Other Assets	\$ 9,855,009	\$ 8,905,270	\$ 949,739
Capital Assets	15,550,726	15,610,902	(60,176)
Total Assets	25,405,735	24,516,172	889,563
Deferred Outflows of Resources	151,122	138,413	12,709
Other Liabilities	1,660,208	1,367,474	292,734
Long-Term Liabilities	623,285	600,368	22,917
Total Liabilities	2,283,493	1,967,842	315,651
Deferred Inflows of Resources	133,609	135,809	(2,200)
Net Position:			
Net Investment in Capital Assets	15,506,191	15,592,917	(86,726)
Restricted	242,317	193,204	49,113
Unrestricted	7,391,247	6,764,813	626,434
Total Net Position	\$ 23,139,755	\$ 22,550,934	\$ 588,821

The largest portion of the Town's net position reflects its investment in capital assets (land, buildings, machinery and equipment, and infrastructure assets such as roads and bridges) less any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to its citizens; consequently, these assets are not available for spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Town's restricted net position of \$242,317 increased by \$49,113 compared to last year's restricted net position of \$193,204.

The Town's unrestricted net position of \$7,391,247 increased by \$626,434 compared to last year's unrestricted net position of \$6,764,813.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

**STATEMENT OF CHANGES IN NET POSITION**

	2023	2022	Variance
<b>REVENUES</b>			
<i>Program:</i>			
Charges for services	\$ 496,842	\$ 464,992	\$ 31,850
Operating grants and contributions	5,214,335	4,355,259	859,076
Capital grants and contributions	543,200	-	543,200
<i>General:</i>			
Property taxes	15,380,736	14,741,793	638,943
Grants and contributions, not restricted to specific programs	129,717	23,236	106,481
Unrestricted investment earnings	186,886	9,501	177,385
Other	12,870	73,767	(60,897)
Total Revenues	21,964,586	19,668,548	2,296,038
<b>EXPENSES</b>			
<i>Governmental Activities:</i>			
General Government	1,856,619	1,786,472	70,147
Health and Human Services	374,009	318,699	55,310
Public Safety	784,541	741,379	43,162
Public Works	1,368,028	996,664	371,364
Building and Development Services	392,652	362,233	30,419
Recreation	701,281	821,902	(120,621)
Education	15,896,730	14,243,450	1,653,280
Interest on long-term debt	1,905	1,150	755
Total Expenses	21,375,765	19,271,949	2,103,816
Change in Net Position	588,821	396,599	192,222
Beginning Net Position	22,550,934	22,154,335	396,599
Ending Net Position	\$ 23,139,755	\$ 22,550,934	\$ 588,821

**Governmental activities.** Governmental activities increased the Town of Columbia, CT's net position by \$588,821.

Seventy percent (70%) of the revenues of the Town were derived from property taxes, followed by twenty-six percent (26%) from grants and contributions, two percent (2%) from charges for services and two percent (2%) of the Town's revenue in the fiscal year was derived from investment and other income.

Major revenue factors included:

- The Town collected surpluses in the following budgeted revenue lines which contributed to the overall revenue surplus at year end:
  - Municipal Revenue Sharing Grant: \$106,458
  - Interest on Investments: \$77,952
  - Real Estate Conveyance Fees: \$19,845

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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- Transfer Station Stickers: \$10,705
- Bldg, Mech. & Septic Building Permit Fees: \$40,567
- The Town had a total revenue surplus of \$ 632,709 which was added to the Town's General Fund. Of this amount, the Town collected a net surplus of \$423,634 in property taxes (current, outstanding, delinquent, interest, etc).
- The State of Connecticut awarded the Town \$6,922 more in the Education Equalization (ECS) Grant than what was originally budgeted due to the state adjustment once the state finalized the grant. Also, the State awarded the Town an additional \$77,712 for the Special Education Grant due to an increase in the projected Special Education costs reported for the Columbia School District in the 2022-2023 school year.
- The Town is showing a negative balance in LoCIP funding at year end. The Town opted to hold off submitting a request to the State of Connecticut in 2022-2023 and let the LoCIP allotment balance continue to build for a future Capital Project reimbursement request in the future.

Seventy-four percent (74%) of the expenses of the Town relate to education, nine percent (9%) relate to general government, six percent (6%) relate to public works, five percent (5%) relate to public safety and health and human services and six percent (6%) relates to building and development services, and long-term interest expense.

Major expense factors included:

- The Town reflected the following surpluses in the following budgeted operating expenditure lines which contributed to the overall operating surplus at year end:
  - Salaries: \$124,180
  - Overtime Pay: \$18,545
  - Payroll Taxes \$9,407
  - Group Insurance: \$20,410
  - Retirement benefits: \$12,511
  - Police Protection: \$36,678
  - Electricity: \$22,354
  - Fuel: \$15,545
  - Contingency: \$32,828
- The Town's Operating Budget had surplus funds of \$418,353 that were returned to the General Funds at year end. Various departments had savings in their budget lines; such as, salaries, group health insurance and employee benefits, police protection, utilities and contingency as noted above.
- The Town has paid off all its long term debt regarding the LED lighting projects for both the Town and the Board of Education with a final payment being made in September 2022. The only outstanding debt remaining at the end of the 2022-2023 was a four-year lease on the Senior Center vehicle for senior transportation. The third of four lease payments was paid in 2022-2023. The final lease payment is due to be paid in July 2023. The Town does not have any General Obligation Bonds as a liability in 2022-2023.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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- As of June 30, 2023, the Columbia Board of Education had excess funds in its budget totaling \$68,702. 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, 2023. 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 and the health insurance line.
- The Columbia Board of Education looked within the 2022-2023 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 facilities repairs, new technology, books for the library media center, desks, technology equipment as well as a sound system for the cafetorium.
- The following is a list of the 2022-2023 major capital projects:
  - Town Road Resurfacing - \$267,328
  - Erdoni Road Culvert Repair - \$10,588
  - Public Works Equipment – \$146,211
  - Facilities HVAC Projects/Repairs - \$49,648
  - Horace W. Porter School Paving Project - \$20,000
  - Horace W. Porter School Track Improvements- \$32,556
  - Horace W. Porter School Asbestos Abatement - \$32,870
  - Hazardous Tree Removal - \$90,596
  - CVFD Fire Equipment - \$20,407
  - CVFD New Squad Vehicle - \$76,067 – received \$70,000 reimbursement with sale of old Squad vehicle
  - CVFD New Self Contained Breathing Apparatus - \$136,019 – received 100% reimbursement from a Federal Grant given to CVFD
  - Repair to Columbia Lake Outlet Valve - \$9,000
- In the 2022-2023, the Town of Columbia received the second tranche of the American Relief Funds. The total received was \$795,959 and was added to the balance of the prior tranche received to be used to fund more projects. Below is the status of 2022-2023 American Relief Funds as well as year-to-date spending as of 06/30/23:
  - Rec Park Facility Building - \$41,266. Project completed.
  - CVFD Audio/Visual System - \$27,627. Project completed.
  - Senior Center Generator - \$20,910. Project to be completed in 2023-2024.
  - Murphy House Bathroom Upgrades - Project to be started in 2023-2024 (Budget is \$20,000).
  - DPW Dump Truck – order was placed. (Budget is \$245,000).
  - DPW Site Survey & Site Plan - \$5,360. Project completed.
  - History Place Masonry Repoint - \$6,800. Project completed.
  - CVFD Roof Replacement/Repair - \$54,024. Project completed.
  - Senior Center Sidewalks – Project to be completed in 2023-2024 (Budget is \$6,500).
  - Rec Park Courts New/Upgrades - \$143,387. Project to be completed in 2023-2024.
  - DPW Office Building - \$218,563. Project to be completed in 2023-2024.
  - DPW Compact Mini Excavator - \$85,960. Purchase completed.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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- CVFD Command Vehicle - Purchase to be completed in 2023-2024. (Budget is \$100,000).
- CVFD Self Contained Breathing Apparatus - \$87,721. Purchase completed.

**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.

**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 \$7,943,736, an increase of \$565,846 in comparison with the prior year. Forty-six percent (46%) of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

**General Fund.** The General Fund is the chief operating fund of the Town of Columbia, CT. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$3,643,408. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 21.2 percent of total General Fund budget basis expenditures.

**Reserve for Capital and Nonrecurring Expenditures.** The fund balance increased by \$1,023,758 during the current fiscal year due to the annual appropriation from the General Fund being greater than current year expenditures. See the schedule on page 60 for a detailed listing of individual project appropriations.

**American Relief Fund.** The fund balance increased by \$32,914 during the current fiscal year due to the interest earned on cash held for the American Rescue Plan Act grant. There is also \$499,201 of unearned revenue associated with this grant which will be recognized as the funds are expended.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

- The Operating Budget of the Town of Columbia's Municipal Government (including Contingency) was underspent by \$418,350. In addition, the Municipal Government ended the year with \$8,094 in year end encumbrances for open expenditures that applied to the 2022-2023 fiscal year.
- The Operating Budget of the Board of Education was spent in accordance with the adopted budget and was under spent by \$68,702. 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 \$19,769 in encumbrances at year end for the open projects and expenditures for the Horace W. Porter School that applied to the 2022-2023 school year.
- During the 2022-2023 Fiscal Year, \$45,142 was approved and transferred from Contingency to fund various lines in the Town's operating budget: \$7,000 to cover Rec Park Well issues,

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

\$6,400 for a concrete pad at the Fire Department, \$5,000 to assist the fire department with their 75<sup>th</sup> anniversary, \$4,040 for Lake Moorings repairs, \$650 for Rec Park hot spot for security camera, \$500 for a grant to Friends of Mono Pond, \$1,500 for a Town Hall sound system, \$1,765 for a Rec Park AED Defibrillator, \$3,866 for Marine Patrol supplies, AED Defibrillator and boat repairs, \$2,110 for Planning & Zoning legals and professional tech services, \$6,310 for Recreation Department salaries, \$1,094 for Marine Patrol salaries, \$1,783 for Lake water sampling and testing services and \$3,124 for a Town unemployment claim.

- In the 2022-2023, the Town approved four General Fund Transfers with Town Meetings: \$133,000 for a new DPW Loader, \$499,000 for the H.W. Porter School HVAC Project, \$19,000 for the H.W. Porter Security Project and \$38,000 for the H. W. Porter Asbestos Removal Project. The Town also approved a departmental budget line transfer with a Town Meeting for \$24,000 to cover the cost of Town Planning services.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets.** The Town of Columbia, CT's reported value in capital assets for its governmental activities as of June 30, 2023, amounts to \$15,550,726 (net of accumulated depreciation). This reported value in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure.

	2023	2022
Land	\$ 2,156,688	\$ 2,156,688
Construction in Progress	984,019	1,019,060
Buildings and Improvements	22,343,322	21,899,377
Land Improvements	1,511,742	1,326,414
Infrastructure	1,650,123	1,650,123
Furniture & Fixtures	18,700	18,700
Vehicles	2,594,056	2,594,056
Machinery and Equipment	1,634,338	1,472,167
Right of Use Equipment	56,308	-
Less: Accumulated Depreciation	(17,398,570)	(16,525,683)
Total	\$ 15,550,726	\$ 15,610,902

Major capital asset events (funded through capital as well as American Relief Funds) during the current fiscal year included the following:

- Road resurfacing projects;
- Compact Mini Excavator, Zero Turn Mower, Caterpillar Loader;
- Pickleball and tennis court updates, baseball scoreboard and fencing;
- HVAC upgrades at town buildings, CFVD roof, condensing units, and thermostats;
- Completion of Rec Park Facility Building and start of new DPW Office Building;
- Start of Senior Center Generator project;
- Speaker system, paving project, asbestos removal and completion of track improvements at H.W. Porter School;
- Equipment purchases, new Audio/Visual equipment purchase, final payment for new Squad truck and Self-Contained Breathing Apparatus for the Fire Department; and
- Continuing hazardous tree removal in various areas of the Town.

Additional information on the Town of Columbia, CT's capital assets can be found in Note 6 on page 34 of this report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2023

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**Long-term debt.** At the end of the current fiscal year, the Town of Columbia, CT had long-term debt and other liabilities outstanding of \$623,285.

	2023	2022
Loans Payable	\$ -	\$ 4,822
Equipment Financing Notes	6,773	13,163
Leases Payable	37,762	-
Compensated Absences	150,197	142,073
OPEB Liability	428,553	440,310
Total	\$ 623,285	\$ 600,368

The Town of Columbia, CT's total long-term debt and other liabilities increased by \$22,917 during the current fiscal year. Additional information on the Town's long-term debt can be found in Note 7 on page 35-36 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 2023-2024 and beyond. It is expected that revenues for fiscal year 2023-2024 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 2023-2024 Fiscal Year.

The Town has assigned \$1,300,000 from the General Fund balance for use in the 2024 budget.

**REQUESTS 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.



# **Basic Financial Statements**

**TOWN OF COLUMBIA, CONNECTICUT**

Statement of Net Position

June 30, 2023

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	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 9,363,294
Restricted Cash	139,209
Receivables, Net	306,969
Prepays	45,537
Capital Assets:	
Assets Not Being Depreciated	3,140,707
Assets Being Depreciated, Net	<u>12,410,019</u>
<b>Total Assets</b>	<u>25,405,735</u>
 <b>Deferred Outflows of Resources</b>	
Deferred Outflows - OPEB	<u>151,122</u>
 <b>Liabilities</b>	
Accounts Payable and Accrued Items	995,320
Unearned Revenue	525,679
Performance Bonds	139,209
Noncurrent Liabilities:	
Due Within One Year	66,918
Due In More Than One Year	<u>556,367</u>
<b>Total Liabilities</b>	<u>2,283,493</u>
 <b>Deferred Inflows of Resources</b>	
Deferred Inflows - OPEB	124,411
Advance Tax Collections	<u>9,198</u>
<b>Total Deferred Inflows of Resources</b>	<u>133,609</u>
 <b>Net Position</b>	
Net Investment in Capital Assets	15,506,191
Restricted for:	
Land Protection	87,332
Housing Rehabilitation	57,444
Education	19,146
Other	78,395
Unrestricted	<u>7,391,247</u>
<b>Total Net Position</b>	<u>\$ 23,139,755</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**

Statement of Activities

For the Year Ended June 30, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 1,856,619	\$ 124,792	\$ 14,845	\$ -	\$ (1,716,982)
Health and Human Services	374,009	17,372	31,924	-	(324,713)
Public Safety	784,541	4,747	117,287	54,024	(608,483)
Public Works	1,368,028	74,850	264,336	304,523	(724,319)
Building and Development Services	392,652	117,827	-	-	(274,825)
Recreation	701,281	58,133	3,590	184,653	(454,905)
Education	15,896,730	99,121	4,782,353	-	(11,015,256)
Interest on Long-Term Debt	1,905	-	-	-	(1,905)
Total Governmental Activities	\$ 21,375,765	\$ 496,842	\$ 5,214,335	\$ 543,200	(15,121,388)
General Revenues:					
					15,380,736
					129,717
					186,886
					12,870
					15,710,209
					588,821
					22,550,934
					\$ 23,139,755

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

**TOWN OF COLUMBIA, CONNECTICUT**

Balance Sheet  
Governmental Funds  
June 30, 2023

	General Fund	Reserve for Capital and Nonrecurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 6,376,974	\$ 2,283,472	\$ 532,208	\$ 170,640	\$ 9,363,294
Restricted Cash	139,209	-	-	-	139,209
Receivables, Net of Allowance	306,969	-	-	-	306,969
Prepays	45,516	-	-	21	45,537
Due from Other Funds	2,875	-	-	159,467	162,342
<b>Total Assets</b>	<u>\$ 6,871,543</u>	<u>\$ 2,283,472</u>	<u>\$ 532,208</u>	<u>\$ 330,128</u>	<u>\$ 10,017,351</u>
<b>Liabilities</b>					
Accounts Payable and Accrued Items	\$ 983,263	\$ 3,600	\$ -	\$ 8,457	\$ 995,320
Unearned Revenue	5,903	-	499,285	20,491	525,679
Performance Bonds	139,209	-	-	-	139,209
Due to Other Funds	159,467	-	-	2,875	162,342
<b>Total Liabilities</b>	<u>1,287,842</u>	<u>3,600</u>	<u>499,285</u>	<u>31,823</u>	<u>1,822,550</u>
<b>Deferred Inflows of Resources</b>					
Unearned Revenue:					
Prepaid Property Taxes	9,198	-	-	-	9,198
Unavailable Revenues:					
Property Taxes and Interest	238,665	-	-	-	238,665
<b>Total Deferred Inflows of Resources</b>	<u>247,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>247,863</u>
<b>Fund Balances</b>					
Nonspendable	45,516	-	-	-	45,516
Restricted	-	-	32,923	209,394	242,317
Committed	315,509	2,232,003	-	88,911	2,636,423
Assigned	1,328,203	47,869	-	-	1,376,072
Unassigned	3,646,610	-	-	-	3,646,610
<b>Total Fund Balances</b>	<u>5,335,838</u>	<u>2,279,872</u>	<u>32,923</u>	<u>298,305</u>	<u>7,946,938</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 6,871,543</u>	<u>\$ 2,283,472</u>	<u>\$ 532,208</u>	<u>\$ 330,128</u>	<u>\$ 10,017,351</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
June 30, 2023

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<b>Fund balances reported in governmental funds Balance Sheet</b>	\$ 7,946,938
<b>Amounts reported for governmental activities in the 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>	32,949,296
<i>Depreciation</i>	(17,398,570)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
<i>Property taxes, interest and liens receivable greater than 60 days</i>	238,665
Certain changes related to OPEB are deferred and amortized over time.	
<i>Deferred Outflows - OPEB</i>	151,122
<i>Deferred Inflows - OPEB</i>	(124,411)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.	
<i>Equipment Financing Notes</i>	(6,773)
<i>Leases Payable</i>	(37,762)
<i>Compensated Absences</i>	(150,197)
<i>OPEB Liability</i>	<u>(428,553)</u>
<b>Net position of governmental activities</b>	<u>\$ 23,139,755</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2023

	General Fund	Reserve for Capital and Nonrecurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property Taxes, Interest and Lien Fees	\$ 15,301,977	\$ -	\$ -	\$ -	\$ 15,301,977
Intergovernmental Revenues	4,118,565	-	691,618	641,829	5,452,012
Licenses, Fees, Fines, and Charges	236,267	-	-	90,043	326,310
Investment Income	80,452	70,974	32,914	2,546	186,886
Other Revenue	188,310	-	-	20,981	209,291
Total Revenues	<u>19,925,571</u>	<u>70,974</u>	<u>724,532</u>	<u>755,399</u>	<u>21,476,476</u>
<b>Expenditures</b>					
Current:					
General Government	1,681,755	29,001	6,800	12,241	1,729,797
Health and Human Services	327,382	707	20,910	25,010	374,009
Public Safety	511,604	27,882	169,372	28,320	737,178
Public Works	864,731	566,140	309,883	-	1,740,754
Building and Development Services	392,652	-	-	-	392,652
Recreation	624,290	6,470	184,653	19,084	834,497
Education	14,526,720	65,426	-	474,732	15,066,878
Debt Service	31,663	-	-	-	31,663
Capital Outlay	56,308	-	-	-	56,308
Total Expenditures	<u>19,017,105</u>	<u>695,626</u>	<u>691,618</u>	<u>559,387</u>	<u>20,963,736</u>
Excess/(Deficiency) of Revenues over Expenditures	908,466	(624,652)	32,914	196,012	512,740
<b>Other Financing Sources/(Uses)</b>					
Leases Issued	56,308	-	-	-	56,308
Transfers In	7,772	1,648,410	-	31,501	1,687,683
Transfers Out	(1,476,031)	-	-	(211,652)	(1,687,683)
Total Other Financing Sources/(Uses)	<u>(1,411,951)</u>	<u>1,648,410</u>	<u>-</u>	<u>(180,151)</u>	<u>56,308</u>
Net Change in Fund Balances	(503,485)	1,023,758	32,914	15,861	569,048
Fund Balances at Beginning of Year	<u>5,839,323</u>	<u>1,256,114</u>	<u>9</u>	<u>282,444</u>	<u>7,377,890</u>
Fund Balances at End of Year	<u>\$ 5,335,838</u>	<u>\$ 2,279,872</u>	<u>\$ 32,923</u>	<u>\$ 298,305</u>	<u>\$ 7,946,938</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2023

**Net Change in Fund Balances - Total Governmental Funds** \$ 569,048

**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>	895,777
<i>Depreciation expense</i>	(917,220)
<i>Loss on disposal</i>	(38,733)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds

<i>Property taxes, interest and liens collected accrual basis change</i>	78,759
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Debt 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.

<i>Principal payments on long-term debt - loans payable</i>	4,822
<i>Principal payments on long-term debt - equipment financing notes</i>	6,390

Amortization of deferred outflows of resources related to OPEB benefits	12,709
Amortization of deferred inflows of resources related to OPEB benefits	11,398

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

<i>Leases Payable</i>	(37,762)
<i>Compensated Absences</i>	(8,124)
<i>OPEB Liability</i>	<u>11,757</u>

**Change in net position of governmental activities** **\$ 588,821**

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
<b>Revenues</b>				
Property Taxes, Interest, and Lien Fees	\$ 14,878,344	\$ 14,878,344	\$ <b>15,301,977</b>	\$ 423,633
Intergovernmental	2,552,907	2,552,907	<b>2,628,895</b>	75,988
Licenses, Fees, Fines, and Charges	180,350	180,350	<b>236,267</b>	55,917
Investment Income	2,500	2,500	<b>80,452</b>	77,952
Other	187,200	187,200	<b>188,310</b>	1,110
<b>Total Revenues</b>	<u>17,801,301</u>	<u>17,801,301</u>	<u><b>18,435,901</b></u>	<u>634,600</u>
<b>Expenditures</b>				
Current:				
General Government	1,832,796	1,836,163	<b>1,673,698</b>	162,465
Health and Human Services	367,948	367,948	<b>333,804</b>	34,144
Public Safety	541,705	557,470	<b>510,533</b>	46,937
Public Works	950,625	949,975	<b>856,628</b>	93,347
Building and Development Services	412,426	428,837	<b>392,534</b>	36,303
Recreation	627,584	637,833	<b>625,534</b>	12,299
Contingency	78,000	32,858	-	32,858
Education	12,883,942	12,883,942	<b>12,815,242</b>	68,700
<b>Total Expenditures</b>	<u>17,695,026</u>	<u>17,695,026</u>	<u><b>17,207,973</b></u>	<u>487,053</u>
<b>Excess of Revenues Over Expenditures</b>	106,275	106,275	<b>1,227,928</b>	1,121,653
<b>Other Financing Sources (Uses)</b>				
Appropriation of Fund Balance	695,756	1,384,756	-	(1,384,756)
Transfers In	10,000	10,000	<b>7,772</b>	(2,228)
Transfers Out	(812,031)	(1,501,031)	<b>(1,501,031)</b>	-
<b>Total Other Financing Sources (Uses)</b>	<u>(106,275)</u>	<u>(106,275)</u>	<u><b>(1,493,259)</b></u>	<u>(1,386,984)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u><b>\$ (265,331)</b></u>	<u>\$ (265,331)</u>

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



**TOWN OF COLUMBIA, CONNECTICUT**

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2023

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	<b>Pension Trust Fund</b>	<b>Private Purpose Trust Funds</b>
	<u>                    </u>	<u>                    </u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ -	\$ 10,746
Investments, at Fair Value:		
Mutual Funds	<u>1,381,345</u>	<u>-</u>
<b>Total Assets</b>	<u>1,381,345</u>	<u>10,746</u>
<b>Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Liabilities</b>		
Payables	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Net Position</b>		
Restricted for Pension Benefits	1,381,345	-
Restricted for Other Purposes	<u>-</u>	<u>10,746</u>
<b>Total Net Position</b>	<u>\$ 1,381,345</u>	<u>\$ 10,746</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2023

	<b>Pension Trust Fund</b>	<b>Private Purpose Trust Funds</b>
<b>Additions</b>		
Contributions:		
Employer	\$ 104,115	\$ -
Other	-	-
Investment Income:		
Net Appreciation/(Depreciation) in Fair		
Value of Investments	74,455	-
Interest and Dividends	44,104	28
Total Investment Income	118,559	28
Less: Investment Management Fees	(13,476)	-
Net Investment Income	105,083	28
Total Additions	209,198	28
<b>Deductions</b>		
Pension Distributions	56,046	-
Scholarships	-	630
Other Expenses	-	-
Total Deductions	56,046	630
Change in Net Position	153,152	(602)
Net Position at Beginning of Year	1,228,193	11,348
Net Position at End of Year	\$ 1,381,345	\$ 10,746

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

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

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

The accompanying financial statements of the Town of Columbia, Connecticut (the “Town”) have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing the governmental accounting and financial reporting principles. The Town’s significant accounting policies are described below.

**Reporting Entity**

The Town of Columbia, Connecticut 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 the 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 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.

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

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

Separate financial statements are provided for governmental 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. 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. Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include compensated absences, debt service, other post-employment benefit obligations, and claims and judgments that are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under equipment financing notes and leases payable are reported as other financing sources.

Property taxes and interest, expenditure reimbursement type grants, certain intergovernmental revenues, charges, and transfers 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 Town or specifically identified.

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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Governmental Funds are those through which most governmental functions typically are financed. The following are the Town's 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. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for services, and earnings on investments.
- The *Reserve for Capital and Nonrecurring 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.

Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, and other governments. Fiduciary funds are not included in the government-wide financial statements. The fiduciary funds are as follows:

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

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

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

The Short-Term Investment Fund ("STIF") is a money market investment pool managed by the Cash Management Division of the State Treasurer's Office created by Section 3-27 of the Connecticut General Statutes ("CGS"). Pursuant to CGS 3-27a through 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the fund. The fund is considered a "2a7-like" pool and, as such, reports its investments at amortized cost (which approximates fair value). A 2a7-like pool is not necessarily registered with the Security and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940 that allows money market mutual funds to use the amortized cost to report net assets. The pool is overseen by the Office of the State Treasurer. The pool is rated AAAM by Standard & Poor's. This is the highest rating for money market funds and investment pools. The pooled investment funds' risk category cannot be determined since the Town does not own identifiable securities but invests as a shareholder of the investment pool. The fair value of the position in the pool is the same as the value of the pool shares.

*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. Trust funds are able to invest in a wider range of investments. Investments are stated at fair value, based on quoted market prices. Certificates of Deposit are reported at cost and excluded from the fair value disclosures.

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

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*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 and presented in Note 3.

*Taxes Receivable* - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes are assessed as of October 1 and billed the following July. Real property bills are payable in two installments, July 1 and January 1. Motor vehicle and personal property taxes are payable in one installment on July 1, with the motor vehicle supplemental bills payable on January 1. Assessments for real and personal property, including motor vehicles, are computed at seventy percent of the market value. The Town files liens against property if taxes, which are due July 1, remain unpaid on the following February 1.

*Capital Assets* - Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 (\$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 acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

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

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

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*Prepays* – Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund financial statements.

*Due From/To Other Funds* - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables and payables. They arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

*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 assets 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 deferred OPEB expense in the government-wide financial statements. 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 assets 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. 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 plans. 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 revenues from property taxes and interest. These amounts are deferred and recognized as an inflow of resources in the period during which the amounts become available.

*Unearned Revenues* - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

*Long-term Obligations* - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period they are incurred.

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

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

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*Compensated Absences* - Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement.

*Total Other Post-Employment Benefits (OPEB) Liability* – The total OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

*Leases (as Lessee)* - The Town recognizes a lease liability and an intangible right-of-use asset (lease asset) for a noncancellable lease in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$20,000 or more. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise. The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt and other long-term obligations in the statement of net position.

*Fund Equity and Net Position* – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. In the government-wide statement of net position, 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 reduce 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.



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

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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.

*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 the approval of a resolution by the Board of Selectman, Board of Finance, or by a properly approved purchase order (encumbrance).

*Unassigned Fund Balance* – Represents the remaining fund balance after amounts are set aside for all other classifications. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit.

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.

The Town has not formally enacted legislation or Board policies requiring it to maintain a minimum fund balance.

*Encumbrances* – In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

**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.

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

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**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information and Accounting**

The Town 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 Nonrecurring 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.

Accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP basis”). The differences consist primarily of payments made by the State of Connecticut “on-behalf” of the Town into the State Teachers’ Retirement System, which are not recorded for budgetary purposes, the excess cost grant is net with expenditures for budgetary basis, and additional revenues and expenditures pertaining to other Town funds, which are not budgeted for by the Town due to perspective differences.

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

A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2023:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Other Financing Sources (Uses)</u>
Budgetary Basis	\$ 18,435,901	\$ 17,207,973	\$ (1,493,259)
"On-behalf" payments - State Teachers Retirement Fund	1,489,670	1,489,670	-
Adjustment for Encumbrances	-	247,442	-
Compensated Absences Reserve Activity	-	15,712	25,000
Lease Liabilities Issued	-	56,308	56,308
GAAP Basis	<u>\$ 19,925,571</u>	<u>\$ 19,017,105</u>	<u>\$ (1,411,951)</u>

**NOTE 3 – CASH EQUIVALENTS AND INVESTMENTS**

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute or in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank" as defined by the Statutes, which is not a "qualified public depository". The following is a summary of cash and cash equivalents at June 30, 2023.

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 9,363,294	\$ 10,746	\$ 9,374,040
Restricted Cash	139,209	-	139,209
	<u>\$ 9,502,503</u>	<u>\$ 10,746</u>	<u>\$ 9,513,249</u>

*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 State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio. The following is a reconciliation of the Town's deposits subject to custodial credit risk:

Cash and Cash Equivalents	\$ 9,513,249
Less: Cash Equivalents (STIF)	<u>(3,763,368)</u>
	<u>\$ 5,749,881</u>

At year-end, the Town's carrying amount of deposits subject to custodial credit risk was \$5,749,881 and the bank balance was \$5,519,770. Of the bank balance, Federal Depository Insurance Corporation insured \$663,379.

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

As of June 30, 2023, \$4,856,391 of the Town's bank balance of \$5,519,770 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 4,320,752
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	<u>535,639</u>
Total	<u><u>\$ 4,856,391</u></u>

**Cash Equivalents**

At June 30, 2023, the Town's cash equivalents (Short-Term Investment Fund "STIF") amounted to \$3,763,368. STIF is rated AAAM by Standard and Poor's and has an average maturity of under 60 days.

**Investments**

The following is a summary of assets measured at fair value:

Description	Fair Value Measurements Using			
	June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds	<u>\$ 1,381,345</u>	<u>\$ 1,381,345</u>	<u>\$ -</u>	<u>\$ -</u>
Total Investments	<u><u>\$ 1,381,345</u></u>	<u><u>\$ 1,381,345</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

*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 does not have a policy for custodial credit risk.

*Credit Risk* – The Town does not have an investment policy that limits investment choices further than the Connecticut General Statutes. Generally, credit risk is defined as the risk that an issuer of a debt type investment will not fulfill its obligation to the holder. This is measured by assignment of a rating by a nationally recognized rating organization.

*Concentrations of Credit Risk* – The Town places no limit on the amount of investment in any one issuer.

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

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

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**NOTE 4 – RECEIVABLES**

Receivables as of year-end for the Town’s individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund
Receivables:	
Property Taxes	\$ 241,331
Interest, Liens, and Fees	54,971
Intergovernmental	14,010
Accounts	27,657
Gross Receivables	337,969
Less Allowance for	
Uncollectibles:	
Property Taxes	(26,000)
Interest, Liens, and Fees	(5,000)
Total Allowance	(31,000)
Net Total Receivables	\$ 306,969

Governmental funds report unavailable revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	Governmental Funds
General Fund:	
Fees Collected in Advance	\$ 5,903
American Relief Fund:	
Advances on Grants	499,285
Nonmajor Funds:	
Advances on Grants	9,686
Fees Collected in Advance	10,805
Total Unearned Revenue	\$ 525,679

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

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**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. At June 30, 2023, the outstanding balances between funds were:

Payable Fund	Receivable Fund	Total
General Fund	Nonmajor Governmental Funds	\$ 159,467
Nonmajor Governmental Funds	General Fund	2,875
		\$ 162,342

Fund transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and 2) to account for unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers during the year ended June 30, 2023, were as follows:

Transfers In	Transfers Out	Total
General Fund	Nonmajor Governmental Funds	\$ 7,772
Reserve for Capital and Nonrecurring Expenditures Fund	General Fund	1,444,530
Reserve for Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	203,880
Nonmajor Governmental Funds	General Fund	31,501
		\$ 1,687,683

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

**NOTE 6 – CAPITAL ASSETS**

The following is a summary of the change in capital assets as of June 30, 2023:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Construction in Progress	\$ 1,019,060	\$ 218,563	\$ 253,604	\$ 984,019
Land	<u>2,156,688</u>	<u>-</u>	<u>-</u>	<u>2,156,688</u>
Total capital assets, not being depreciated	<u>3,175,748</u>	<u>218,563</u>	<u>253,604</u>	<u>3,140,707</u>
Capital assets, being depreciated				
Buildings and Improvements	21,899,377	450,176	6,231	22,343,322
Land Improvements	1,326,414	185,328	-	1,511,742
Infrastructure	1,650,123	-	-	1,650,123
Furniture & Fixtures	18,700	-	-	18,700
Vehicles	2,594,056	-	-	2,594,056
Machinery & Equipment	1,472,167	232,171	70,000	1,634,338
Right of Use Equipment	<u>-</u>	<u>56,308</u>	<u>-</u>	<u>56,308</u>
Total capital assets, being depreciated	<u>28,960,837</u>	<u>923,983</u>	<u>76,231</u>	<u>29,808,589</u>
Less accumulated depreciation for:				
Buildings and Improvements	12,304,686	600,373	-	12,905,059
Land Improvements	498,934	48,157	-	547,091
Infrastructure	747,490	55,662	-	803,152
Furniture & Fixtures	18,700	-	-	18,700
Vehicles	2,049,924	99,808	-	2,149,732
Machinery & Equipment	905,949	93,506	44,333	955,122
Right of Use Equipment	<u>-</u>	<u>19,714</u>	<u>-</u>	<u>19,714</u>
Total accumulated depreciation	<u>16,525,683</u>	<u>917,220</u>	<u>44,333</u>	<u>17,398,570</u>
Total capital assets, being depreciated, net	<u>12,435,154</u>	<u>6,763</u>	<u>31,898</u>	<u>12,410,019</u>
<i>Capital assets, net</i>	<u>\$ 15,610,902</u>	<u>\$ 225,326</u>	<u>\$ 285,502</u>	<u>\$ 15,550,726</u>

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

General Government	\$ 152,555
Public Works	165,319
Public Safety	99,363
Recreation	59,635
Education	<u>440,348</u>
Total	<u>\$ 917,220</u>

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

**NOTE 7 – LONG-TERM LIABILITIES**

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<i>Governmental Activities</i>					
Loans Payable	\$ 4,822	\$ -	\$ 4,822	\$ -	\$ -
Equipment Financing Notes	13,163	-	6,390	6,773	6,773
Leases Payable	-	56,308	18,546	37,762	18,969
OPEB Liability	440,310	-	11,757	428,553	-
Compensated Absences	142,073	10,131	2,007	150,197	41,176
	<u>\$ 600,368</u>	<u>\$ 66,439</u>	<u>\$ 43,522</u>	<u>\$ 623,285</u>	<u>\$ 66,918</u>

Long-term obligations are typically liquidated by the General Fund.

**Bonds Authorized and Unissued**

At June 30, 2023, there were no authorized and unissued bonds.

**Equipment Financing Notes**

The Town has equipment financing notes for the acquisition of a vehicle.

Equipment	Year of Issue	Original Amount	Interest Rate	Final Maturity	Principal Outstanding June 30, 2023
Senior Center Vehicle	2021	\$ 28,715	5.99%	7/24/2023	<u>\$ 6,773</u>

Annual debt service requirements on equipment financing notes as of June 30, 2023, are as follows:

Year(s)	Principal	Interest	Total
2024	<u>\$ 6,773</u>	<u>\$ 406</u>	<u>\$ 7,179</u>

**Leases Payable**

The Town and Board of Education lease copiers under long-term, non-cancelable lease agreements. The leases expire at various dates through 2028.

The annual debt service requirements of the Town's leases payable are as follows:

Year(s)	Principal	Interest	Total
2024	\$ 18,969	\$ 693	\$ 19,662
2025	4,844	406	5,250
2026	4,964	286	5,250
2027	5,087	163	5,250
2028	3,898	40	3,938
Total	<u>\$ 37,762</u>	<u>\$ 1,588</u>	<u>\$ 39,350</u>

**Post-Closure Landfill Costs**

The Town has closed a landfill with no further capacity or estimated useful life. State and federal laws and regulations require that the Town perform certain maintenance and monitoring functions on its closed landfill site for 30 years after closure. The current year expenditures of \$1,829 were recognized in the General Fund.



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

**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 8 - FUND BALANCE COMPONENTS**

The components of fund balance for the governmental funds at June 30, 2023 are as follows:

	General Fund	Reserve for Capital and Nonrecurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>					
Prepays	\$ 45,516	\$ -	\$ -	\$ -	\$ 45,516
Total Nonspendable	<u>45,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,516</u>
<b>Restricted for:</b>					
General Government	-	-	32,923	17,983	50,906
Land Protection	-	-	-	87,332	87,332
Housing Rehabilitation	-	-	-	57,444	57,444
Health & Welfare	-	-	-	27,489	27,489
Education	-	-	-	19,146	19,146
Total Restricted	<u>-</u>	<u>-</u>	<u>32,923</u>	<u>209,394</u>	<u>242,317</u>
<b>Committed to:</b>					
General Government	15,509	-	-	41,162	56,671
Public Safety	-	-	-	9,836	9,836
Health & Welfare	-	-	-	2,709	2,709
Recreation	-	-	-	35,204	35,204
Education	300,000	-	-	-	300,000
Capital Purposes	-	2,232,003	-	-	2,232,003
Total Committed	<u>315,509</u>	<u>2,232,003</u>	<u>-</u>	<u>88,911</u>	<u>2,636,423</u>
<b>Assigned:</b>					
Next Year's Budget	1,300,000	-	-	-	1,300,000
Capital Purposes	-	47,869	-	-	47,869
<b>Encumbrances:</b>					
General Government	8,094	-	-	-	8,094
Education	20,109	-	-	-	20,109
Total Assigned	<u>1,328,203</u>	<u>47,869</u>	<u>-</u>	<u>-</u>	<u>1,376,072</u>
Unassigned	<u>3,646,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,646,610</u>
<b>Total Fund Balances</b>	<u>\$ 5,335,838</u>	<u>\$ 2,279,872</u>	<u>\$ 32,923</u>	<u>\$ 298,305</u>	<u>\$ 7,946,938</u>

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

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**NOTE 9 – RETIREMENT BENEFITS**

**Connecticut State Teacher’s Retirement System**

*Plan Description:* Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers’ Retirement System (the “System”). The System is 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 CTRB Board. The 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 years of credited service (maximum benefit is 75% of average annual salary during the 3 highest years of salary). In addition, amounts derived from the accumulation of the 6% contributions made prior to July 1, 1989, and voluntary contributions are payable.

*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.

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

*Disability Retirement:* Employees are eligible for service-related disability regardless of length of service. Five years of credited service is required for non-service-related disability or eligibility. Disability benefits are calculated as 2% per year of service times the average of the highest three years of pensionable salary, as defined per the plan, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this Plan (without regard for cost-of-living adjustments) plus any initial award of Social Security benefits and workers’ compensation cannot exceed 75% of average annual salary.

*Contributions:* Per Connecticut General Studies Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, 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, 2023, the certified teachers’ contribution to the Connecticut Teachers Retirement Board was \$104,812. Covered payroll for the Town for the year ended June 30, 2023, was approximately \$6,929,100.

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

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*Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions:* At June 30, 2023 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		<u>18,630,628</u>
Total		<u>\$ 18,630,628</u>

The net pension liability was measured as of June 30, 2022, 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, 2023, the Town had no proportionate share of the net pension liability.

For the year ended June 30, 2023, the Town recognized benefits expense and contribution revenue of \$1,468,894 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$1,800,671 for pension expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

*Actuarial Assumptions:* The total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement.

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

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, CONNECTICUT**  
Notes to the Financial Statements

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The long-term expected rate of return on pension investments was determined using a log-normal distributions 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 asset class as provided by the State of Connecticut's Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Allocation</u>	<u>Real Rate of Return</u>
Domestic Equity Fund	20.00%	5.40%
Developed Market Intl. Stock Fund	11.00%	6.40%
Emerging Market Intl. Stock Fund	9.00%	8.60%
Core Fixed Income Fund	13.00%	0.80%
Emerging Market Debt Fund	5.00%	3.80%
High Yield Bond Fund	3.00%	3.40%
Real Estate Fund	19.00%	5.20%
Private Equity	10.00%	9.40%
Private Credit	5.00%	6.50%
Alternative Investments	3.00%	3.10%
Liquidity Fund	2.00%	-0.40%

*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 member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension 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 \$63,994.

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

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**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.

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 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, 2023, totaled \$104,812. 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, 2023, there were 25 plan members. A provision has been included to allow pre-tax employee contributions up to 100% of compensation, subject to IRS dollar limits of \$22,500 for 2022-2023. Any participant who is age 50 or older could be eligible for a "catch-up" contribution of \$7,500 in 2022-2023. Income accumulates tax-free until distribution from the plan. The Town's required 3% contribution was \$39,639. 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.

**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.

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

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*Employees Covered by Benefit Terms:* At June 30, 2023, the following employees were covered by the benefit terms:

Retirees receiving benefits	7
Active plan members	111
	118
	118

*Total OPEB Liability:* The Town's total OPEB liability of \$428,553 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022 with a measurement date of June 30, 2023.

*Actuarial Assumptions and Other Inputs:* The total OPEB liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Interest	3.65% based on Bond Buyer 20-Bond Municipal Index effective as of June 30, 2023.
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 the Total OPEB Liability:**

	Total OPEB Liability
Balance at 6/30/22	\$ 440,310
Changes for the year:	
Service Cost	11,086
Interest	14,860
Difference Between Expected and Actual Experience	29,637
Changes in Assumptions	(3,561)
Benefit Payments	(63,779)
Net Changes	(11,757)
Balance at 6/30/23	\$ 428,553

Changes of assumptions primarily reflects a change in the discount rate from 3.54% to 3.65%.

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

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:* The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
Total OPEB Liability	\$ 462,373	\$ 428,553	\$ 397,898

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

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 386,278	\$ 428,553	\$ 477,738

*OPEB Expense:* For the year ended June 30, 2023, the Town recognized OPEB expense of (\$11,016). As of June 30, 2023, deferred inflows and outflows of resources related to OPEB are reported as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 107,808	\$ (78,250)
Changes of assumptions	43,314	(46,161)
Total	\$ 151,122	\$ (124,411)

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

Year ended June 30:		
2024	\$	1,969
2025		1,969
2026		1,969
2027		1,969
2028		1,969
Thereafter		16,866
	\$	26,711

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

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**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 multi-employer defined benefit pension plan administered by the TRB. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at [www.ct.gov](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 employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 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 \$440 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 \$440 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 \$20,776.

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.

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



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

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*Actuarial Assumptions* - The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.50%
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
<u>Municipal bond index rate:</u>	
Measurement Date	3.54%
Prior Measurement Date	2.16%

The projected fiduciary net position is projected to be depleted in 2027.

Single equivalent interest rate

Measurement Date	3.53%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	2.17%, net of OPEB plan investment expense, Including price inflation

Healthcare cost trend rates:

Medicare	Known increases until calendar year 2024, then general trend decreasing to an ultimate rate of 4.50% by 2031.
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Mortality rates were based on the PubT-2010 Health 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 evaluating the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

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

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

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%	-0.98%	1.12%
Price inflation		2.50%	
Expected rate of return (Rounded nearest 0.25%)		1.50%	

*Discount Rate* - The discount rate used to measure the total OPEB liability was 3.53%. 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, 2022. In addition to the actuarial methods and assumptions of the June 30, 2022, 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%.
- 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 2027 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	\$1,402,300	\$1,631,616	\$1,942,202

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

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*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 (2.53%)	Current Discount Rate (3.53%)	1% Increase (4.53%)
Net OPEB liability	\$1,970,201	\$1,631,616	\$1,364,579

*Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions:* At June 30, 2023 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>1,631,616</u>
Total	\$	<u>1,631,616</u>

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. At June 30, 2023, the Town had no proportionate share of the net OPEB liability.

For the year ended June 30, 2023, the Town recognized OPEB expense and revenue of \$20,776 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$98,350 for OPEB expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

**NOTE 10 – RISK MANAGEMENT**

The Town is exposed to various risks of loss involving torts, theft of, damage to, and destruction of assets, errors and omissions, injuries of employees, natural disaster and public official liabilities. The Town generally obtains commercial insurance for these risks. Coverage has not been significantly reduced and settled claims have not exceeded commercial coverage in any of the last three fiscal 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.

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

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**NOTE 11 – LITIGATION AND CONTINGENCIES**

**Litigation** - The Town is not a defendant in any lawsuits that, in the opinion of Town Management, in consultation with the Town Attorney, will have an adverse, material effect on the Town's financial position.

**Grants** - The Town participates in several Federal and State assisted grants programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of certain of these programs for or including the year ended June 30, 2023, have not yet been conducted. Accordingly, the Town's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

**NOTE 12 – UPCOMING PRONOUNCEMENTS**

**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. 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 recognition 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.

**Required  
Supplementary  
Information**

**TOWN OF COLUMBIA, CONNECTICUT**  
State Teacher's Retirement System  
Proportionate Share of Net Pension Liability  
Last Nine Fiscal Years\*

**Schedule of Proportionate Share of Net Pension Liability**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's percentage of the net pension liability	0.00%	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 liability associated with the Town	<u>18,630,628</u>	<u>15,036,568</u>	<u>18,985,363</u>	<u>17,567,758</u>	<u>13,545,762</u>	<u>13,636,722</u>	<u>14,386,846</u>	<u>11,682,199</u>	<u>10,797,852</u>
<b>Total</b>	<b><u>\$ 18,630,628</u></b>	<b><u>\$ 15,036,568</u></b>	<b><u>\$ 18,985,363</u></b>	<b><u>\$ 17,567,758</u></b>	<b><u>\$ 13,545,762</u></b>	<b><u>\$ 13,636,722</u></b>	<b><u>\$ 14,386,846</u></b>	<b><u>\$ 11,682,199</u></b>	<b><u>\$ 10,797,852</u></b>
Town's covered payroll	<u>\$ 4,695,730</u>	<u>\$ 4,438,394</u>	<u>\$ 4,632,428</u>	<u>\$ 4,616,261</u>	<u>\$ 4,537,221</u>	<u>\$ 4,371,611</u>	<u>\$ 5,077,981</u>	<u>\$ 4,059,834</u>	<u>\$ 3,989,917</u>
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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	<u>54.06%</u>	<u>60.77%</u>	<u>49.24%</u>	<u>52.00%</u>	<u>57.69%</u>	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

**Notes to Schedule**

Actuarial cost method	Entry Age
Amortization method	Level percent of pay closed, grading to a level dollar amortization method for the June 30, 2024 valuation.
Single equivalent 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 investment related expense

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

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Other Post-Employment Benefits (OPEB) Plan  
Schedule of Changes in Total OPEB Liability  
Last Six Fiscal Years\*

	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Service Cost	\$ 11,086	\$ 17,042	\$ 16,225	\$ 15,262	\$ 13,686	\$ 13,776
Interest	14,860	10,006	9,988	18,974	19,811	18,441
Differences Between Expected and Actual Experience	29,637	42,298	53,264	(118,378)	2,098	8,389
Changes in Assumptions	(3,561)	(42,610)	1,917	48,057	18,408	(14,960)
Benefit Payments, Including Refunds of Member Contributions	<u>(63,779)</u>	<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>	(11,757)	(38,199)	4,633	(66,496)	30,491	(8,240)
<b>Total OPEB Liability - Beginning</b>	<u>440,310</u>	<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</b>	<u>\$ 428,553</u>	<u>\$ 440,310</u>	<u>\$ 478,509</u>	<u>\$ 473,876</u>	<u>\$ 540,372</u>	<u>\$ 509,881</u>
<b>Covered-Employee Payroll</b>	\$ 6,929,100	\$ 6,766,699	\$ 6,201,500	\$ 6,056,154	\$ 6,398,900	\$ 6,236,700
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	6.18%	6.51%	7.72%	7.82%	8.44%	8.18%

**Notes to Schedule**

Measurement Date	June 30, 2023
Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal
Discount Rate	3.65%

There are no assets that are being accumulated in a trust that meets the criteria in GASB 75 to pay benefits.

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

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
 State Teacher's Retirement System  
 Proportionate Share of Net OPEB Liability  
 Last Six Fiscal Years\*

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's percentage of the net OPEB liability	0.00%	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	<u>1,631,616</u>	<u>1,638,207</u>	<u>2,831,668</u>	<u>2,739,791</u>	<u>2,707,919</u>	<u>3,509,924</u>
<b>Total</b>	<u>\$ 1,631,616</u>	<u>\$ 1,638,207</u>	<u>\$ 2,831,668</u>	<u>\$ 2,739,791</u>	<u>\$ 2,707,919</u>	<u>\$ 3,509,924</u>
Town's covered-employee payroll	<u>\$ 4,695,730</u>	<u>\$ 4,438,394</u>	<u>\$ 4,632,428</u>	<u>\$ 4,616,261</u>	<u>\$ 4,537,221</u>	<u>\$ 4,371,611</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll.	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>9.46%</u>	<u>6.11%</u>	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>

**Notes to Schedule**

Actuarial Cost Method	Entry age
Amortization Method	Level percent of payroll over an opened period
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	3.00%, net of investment related expense
Price Inflation	2.50%

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

See accountant's report.



**Supplemental, Combining and  
Individual Nonmajor Fund  
Statements and Schedules**

**TOWN OF COLUMBIA, CONNECTICUT**  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
<b>REVENUES</b>				
<b>Property Taxes</b>				
General Property Taxes - Current	\$ 14,726,844	\$ 14,726,844	\$ 15,059,769	\$ 332,925
General Property Taxes - Past	90,600	90,600	142,466	51,866
Interest and Lien Fees	60,900	60,900	99,742	38,842
<b>Total Property Taxes</b>	<u>14,878,344</u>	<u>14,878,344</u>	<u>15,301,977</u>	<u>423,633</u>
<b>Intergovernmental</b>				
Homeland Security Grant	3,000	3,000	1,939	(1,061)
Education Equalization Grant	2,316,189	2,316,189	2,323,111	6,922
Special Education Grant	50,000	50,000	127,712	77,712
Disabled Persons Tax Grant	-	-	512	512
Veterans Relief	-	-	2,484	2,484
PILOT - State Property	6,366	6,366	6,666	300
PILOT - Pequot	4,857	4,857	4,857	-
Municipal Revenue Sharing	-	-	106,458	106,458
Municipal Projects/Stabilization Grant	55,156	55,156	55,156	-
STEAP	-	-	-	-
LOCIP	117,339	117,339	-	(117,339)
<b>Total Intergovernmental</b>	<u>2,552,907</u>	<u>2,552,907</u>	<u>2,628,895</u>	<u>75,988</u>
<b>Licenses, Fees, Fines, and Charges</b>				
Real Estate Conveyance Fees	65,000	65,000	84,845	19,845
Building, Machine, and Septic Fees	65,000	65,000	105,567	40,567
Zoning Permit Fees	2,000	2,000	3,575	1,575
Recording Fees	23,000	23,000	16,706	(6,294)
Pistol Permit Fees	4,500	4,500	2,940	(1,560)
Notary Fees	350	350	154	(196)
Photocopy Fees	5,500	5,500	4,318	(1,182)
Planning and Zoning Commission Fees	2,500	2,500	2,950	450
Zoning Board of Appeals Fees	1,500	1,500	300	(1,200)
Inland/Wetland Fees	3,500	3,500	5,435	1,935
Town Clerk Fees	6,000	6,000	6,982	982
Senior Center Van and Facility Services	1,500	1,500	2,495	995
<b>Total Licenses, Fees, Fines, and Charges</b>	<u>180,350</u>	<u>180,350</u>	<u>236,267</u>	<u>55,917</u>
<b>Investment Income</b>	<u>2,500</u>	<u>2,500</u>	<u>80,452</u>	<u>77,952</u>
<b>Other</b>				
Passport Fees	2,000	2,000	3,115	1,115
Facilities Rental	1,800	1,800	3,165	1,365
Boating Fees	3,000	3,000	3,750	750
Beach Use and Concession Fees	35,000	35,000	29,990	(5,010)
Transfer Station Fees	30,000	30,000	24,145	(5,855)
Transfer Station Sticker Fees	40,000	40,000	50,705	10,705
Preschool	57,500	57,500	58,337	837
State Fees- Land Use Dept	200	200	490	290
Telephone Access Grant	8,200	8,200	8,740	540
Miscellaneous	8,000	8,000	4,328	(3,672)
Court Fines	1,500	1,500	1,545	45
<b>Total Other</b>	<u>187,200</u>	<u>187,200</u>	<u>188,310</u>	<u>1,110</u>
<b>Total Revenues</b>	<u>17,801,301</u>	<u>17,801,301</u>	<u>18,435,901</u>	<u>634,600</u>
<b>Other Financing Sources</b>				
Appropriation of Fund Balance	695,756	1,384,756	-	(1,384,756)
Transfers In - Recreation	10,000	10,000	7,772	(2,228)
<b>Total Other Financing Sources</b>	<u>705,756</u>	<u>1,394,756</u>	<u>7,772</u>	<u>(1,386,984)</u>
<b>Total Revenues and Other Financing Sources</b>	<u>18,507,057</u>	<u>19,196,057</u>	<u>18,443,673</u>	<u>(752,384)</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

EXPENDITURES	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
<b>General Government</b>				
Town Meeting	\$ 2,919	\$ 2,919	\$ 1,697	\$ 1,222
Executive and Administrative	995,944	999,311	941,273	58,038
Information Technology	77,750	77,750	74,248	3,502
Old Firehouse Building	3,585	3,585	2,663	922
Chapel on The Green	3,000	3,000	1,466	1,534
Meeting House	4,336	4,336	3,090	1,246
Judicial and Legal	55,000	55,000	33,283	21,717
Registration and Election	34,995	34,995	28,614	6,381
Assessment	146,628	146,628	140,133	6,495
Tax Collection	90,661	90,661	86,205	4,456
Public Records	125,970	125,970	111,517	14,453
Financial and Planning Allocation	27,385	27,385	24,154	3,231
Finance Department	263,218	263,218	225,276	37,942
Tax Review Services	1,405	1,405	79	1,326
<b>Total General Government</b>	<u>1,832,796</u>	<u>1,836,163</u>	<u>1,673,698</u>	<u>162,465</u>
<b>Health and Human Services</b>				
Health Care and Inspection	30,790	30,790	29,920	870
Social Services	59,906	59,906	50,303	9,603
Elderly Services	114,250	114,250	107,946	6,304
Senior Center	112,807	112,807	95,441	17,366
Youth Services	50,195	50,195	50,194	1
<b>Total Health and Human Services</b>	<u>367,948</u>	<u>367,948</u>	<u>333,804</u>	<u>34,144</u>
<b>Public Safety</b>				
Police Protection	186,400	186,400	149,722	36,678
Fire Fighting and Emergency Services	295,400	300,400	295,967	4,433
Fire Prevention Services	29,047	29,047	27,050	1,997
Emergency Director	5,733	5,733	3,888	1,845
Lake Management Services	25,125	35,890	33,906	1,984
<b>Total Public Safety</b>	<u>541,705</u>	<u>557,470</u>	<u>510,533</u>	<u>46,937</u>
<b>Public Works</b>				
Public Works	685,798	685,798	622,205	63,593
Waste Disposal	251,327	251,327	225,862	25,465
Street Lighting	13,500	12,850	8,561	4,289
<b>Total Public Works</b>	<u>950,625</u>	<u>949,975</u>	<u>856,628</u>	<u>93,347</u>
<b>Building and Development Services</b>				
Planning and Zoning Commission	88,700	90,810	88,178	2,632
Inland/Wetland Commission	32,712	32,712	27,252	5,460
Building Services	212,735	226,135	208,133	18,002
Conservation Commission	1,255	1,755	729	1,026
Building Appeal Services	400	801	801	-
Land Use Department	76,624	76,624	67,441	9,183
<b>Total Building and Development Services</b>	<u>412,426</u>	<u>428,837</u>	<u>392,534</u>	<u>36,303</u>
<b>Recreation</b>				
Public Celebrations	7,700	8,556	8,359	197
Library Services	439,626	439,626	439,626	-
Lake Management Advisory	26,050	27,833	23,666	4,167
Beach Services	48,184	47,033	41,428	5,605
Recreation Area Operations	15,406	16,056	13,968	2,088
Recreation	90,618	98,729	98,487	242
<b>Total Recreation</b>	<u>627,584</u>	<u>637,833</u>	<u>625,534</u>	<u>12,299</u>
<b>Contingency</b>				
	78,000	32,858	-	32,858
<b>Total General Government Expenditures</b>	<u>4,811,084</u>	<u>4,811,084</u>	<u>4,392,731</u>	<u>418,353</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
<b>Education</b>				
Certified Salaries	\$ 4,819,708	\$ 4,983,433	\$ 4,983,433	\$ -
Non-Certified Salaries	1,173,142	1,109,352	1,109,352	-
Health Benefits	1,127,150	1,284,975	1,283,376	1,599
Life Insurance	8,500	8,293	8,293	-
Social Security	86,000	81,740	81,740	-
Medicare	93,000	89,216	89,216	-
Unemployment	15,600	15,444	15,444	-
Workers' Compensation	78,000	66,839	66,839	-
Other Benefit Fund	77,604	68,994	68,994	-
Board of Education Services	27,000	22,824	22,824	-
Instructional Improvement/Pupil Services	10,900	3,390	3,390	-
Professional/Technical Services	240,808	258,497	258,497	-
Technical Services	239,567	278,706	278,706	-
Water/Sewage	6,500	3,858	3,858	-
Sanitary Refuse	10,000	13,933	13,933	-
Snow Plowing	25,500	27,000	27,000	-
Repairs/Maintenance	45,100	22,573	22,573	-
Rentals	34,500	27,465	27,465	-
Student Transportation	688,848	810,950	810,950	-
Property Insurance	68,200	62,327	62,327	-
Telephone	8,800	10,545	10,545	-
Postage	6,000	1,357	1,357	-
Advertising	1,000	-	-	-
Tuition	3,436,478	3,225,674	3,158,573	67,101
Travel	5,795	1,828	1,828	-
Supplies	116,848	73,304	73,304	-
Maintenance and Custodial Supplies	22,000	23,015	23,015	-
Electricity	117,000	59,234	59,234	-
Propane Gas	5,500	2,155	2,155	-
Heating Oil	84,000	92,654	92,654	-
Diesel	55,000	42,847	42,847	-
Software	43,955	43,935	43,935	-
Textbooks/Ancillary Materials	18,092	21,759	21,759	-
Library Books	6,500	5,385	5,385	-
Periodicals/Magazines	6,613	2,200	2,200	-
Equipment	57,859	23,670	23,670	-
Dues/Fees	16,875	14,571	14,571	-
<b>Total Board of Education Expenditures</b>	<u>12,883,942</u>	<u>12,883,942</u>	<u>12,815,242</u>	<u>68,700</u>
<b>Other Financing Uses</b>				
Transfers Out	812,031	1,501,031	1,501,031	-
<b>Total Expenditures and Other Financing Uses</b>	<u>18,507,057</u>	<u>19,196,057</u>	<u>18,709,004</u>	<u>487,053</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses - Budgetary Basis</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (265,331)</u>	<u>\$ (265,331)</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2023

	<b>SPECIAL REVENUE FUNDS</b>					
	Dog Fund	SERAC Fund	Town Aid Road Fund	Open Space Acquisition	Historic Document Preservation Fund	Szegda Farm
<b>Assets</b>						
Cash and Cash Equivalents	\$ 14,604	\$ 3,928	\$ -	\$ 28,197	\$ -	\$ -
Prepays	-	-	-	-	-	21
Due from Other Funds	-	-	-	-	5,821	11,444
<b>Total Assets</b>	<b>\$ 14,604</b>	<b>\$ 3,928</b>	<b>\$ -</b>	<b>\$ 28,197</b>	<b>\$ 5,821</b>	<b>\$ 11,465</b>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts Payable and Accrued Items	\$ 4,768	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned Revenue	-	-	-	-	-	-
Due to Other Funds	-	2,875	-	-	-	-
Total Liabilities	4,768	2,875	-	-	-	-
Fund Balances:						
Restricted	-	1,053	-	-	5,821	-
Committed	9,836	-	-	28,197	-	11,465
Unassigned	-	-	-	-	-	-
Total Fund Balances	9,836	1,053	-	28,197	5,821	11,465
<b>Total Liabilities and Fund Balances</b>	<b>\$ 14,604</b>	<b>\$ 3,928</b>	<b>\$ -</b>	<b>\$ 28,197</b>	<b>\$ 5,821</b>	<b>\$ 11,465</b>

See accountant's report

**TOWN OF COLUMBIA, CONNECTICUT**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2023

<b>SPECIAL REVENUE FUNDS</b>							
	Senior Center Fund	Land Protection Fund	Education Grants Fund	Memorial Fund	Recreation Fields Rental Fund	Recreation Activities Fund	Social Services Needs Fund
<b>Assets</b>							
Cash and Cash Equivalents	\$ 100	\$ -	\$ 271	\$ -	\$ 8,563	\$ 60	\$ 26,436
Prepays	-	-	-	-	-	-	-
Due from Other Funds	5,178	87,332	-	792	-	30,401	-
<b>Total Assets</b>	<b>\$ 5,278</b>	<b>\$ 87,332</b>	<b>\$ 271</b>	<b>\$ 792</b>	<b>\$ 8,563</b>	<b>\$ 30,461</b>	<b>\$ 26,436</b>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Accounts Payable and Accrued Items	\$ 2,569	\$ -	\$ -	\$ -	\$ 1,120	\$ -	\$ -
Unearned Revenue	-	-	-	-	-	2,700	-
Due to Other Funds	-	-	-	-	-	-	-
Total Liabilities	2,569	-	-	-	1,120	2,700	-
Fund Balances:							
Restricted	-	87,332	271	-	-	-	26,436
Committed	2,709	-	-	792	7,443	27,761	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	2,709	87,332	271	792	7,443	27,761	26,436
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,278</b>	<b>\$ 87,332</b>	<b>\$ 271</b>	<b>\$ 792</b>	<b>\$ 8,563</b>	<b>\$ 30,461</b>	<b>\$ 26,436</b>

See accountant's report

**TOWN OF COLUMBIA, CONNECTICUT**

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2023

<b>SPECIAL REVENUE FUNDS</b>							
	Agricultural Fund	Student Activities Fund	Brand Memorial Trust	Small Cities Housing Rehabilitation	Opioid Fund	Environmental Fees Fund	Total
<b>Assets</b>							
Cash and Cash Equivalents	\$ -	\$ 18,875	\$ 12,162	\$ 57,444	\$ -	\$ -	\$ 170,640
Prepays	-	-	-	-	-	-	21
Due from Other Funds	708	-	-	-	9,686	8,105	159,467
<b>Total Assets</b>	<b>\$ 708</b>	<b>\$ 18,875</b>	<b>\$ 12,162</b>	<b>\$ 57,444</b>	<b>\$ 9,686</b>	<b>\$ 8,105</b>	<b>\$ 330,128</b>
<b>Liabilities and Fund Balances</b>							
Liabilities:							
Accounts Payable and Accrued Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,457
Unearned Revenue	-	-	-	-	9,686	8,105	20,491
Due to Other Funds	-	-	-	-	-	-	2,875
Total Liabilities	-	-	-	-	9,686	8,105	31,823
Fund Balances:							
Restricted	-	18,875	12,162	57,444	-	-	209,394
Committed	708	-	-	-	-	-	88,911
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	708	18,875	12,162	57,444	-	-	298,305
<b>Total Liabilities and Fund Balances</b>	<b>\$ 708</b>	<b>\$ 18,875</b>	<b>\$ 12,162</b>	<b>\$ 57,444</b>	<b>\$ 9,686</b>	<b>\$ 8,105</b>	<b>\$ 330,128</b>

See accountant's report

**TOWN OF COLUMBIA, CONNECTICUT**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	<b>SPECIAL REVENUE FUNDS</b>					
	Dog Fund	SERAC Fund	Town Aid Road Fund	Open Space Acquisition	Historic Document Preservation Fund	Szedga Farm
<b>Revenues</b>						
Intergovernmental Revenues	\$ -	\$ -	\$ 203,820	\$ -	\$ 5,500	\$ -
Charges for Services	1,807	-	-	-	1,086	-
Investment Income	864	-	-	1,036	-	-
Other Revenue	-	2,875	-	2,000	-	545
Total Revenues	<u>2,671</u>	<u>2,875</u>	<u>203,820</u>	<u>3,036</u>	<u>6,586</u>	<u>545</u>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	-	7,103	5,078
Health and Human Services	-	2,877	-	-	-	-
Public Safety	28,320	-	-	-	-	-
Recreation	-	-	-	-	-	-
Education	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>28,320</u>	<u>2,877</u>	<u>-</u>	<u>-</u>	<u>7,103</u>	<u>5,078</u>
Excess/(Deficiency) of Revenues Over Expenditures	(25,649)	(2)	203,820	3,036	(517)	(4,533)
<b>Other Financing Sources/(Uses)</b>						
Transfers In	28,501	-	-	-	-	3,000
Transfers Out	-	-	(203,880)	-	-	-
Total Other Financing Sources/(Uses)	<u>28,501</u>	<u>-</u>	<u>(203,880)</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Net Change in Fund Balances	2,852	(2)	(60)	3,036	(517)	(1,533)
Fund Balances at Beginning of Year	<u>6,984</u>	<u>1,055</u>	<u>60</u>	<u>25,161</u>	<u>6,338</u>	<u>12,998</u>
Fund Balances at End of Year	<u>\$ 9,836</u>	<u>\$ 1,053</u>	<u>\$ -</u>	<u>\$ 28,197</u>	<u>\$ 5,821</u>	<u>\$ 11,465</u>

See accountant's report.



**TOWN OF COLUMBIA, CONNECTICUT**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	<b>SPECIAL REVENUE FUNDS</b>						
	Senior Center Fund	Land Protection Fund	Education Grants Fund	Memorial Fund	Recreation Fields Rental Fund	Recreation Activities Fund	Social Services Needs Funds
<b>Revenues</b>							
Intergovernmental Revenues	\$ -	\$ -	\$ 432,509	\$ -	\$ -	\$ -	\$ -
Charges for Services	14,877	7,586	-	-	1,475	22,428	-
Investment Income	-	-	-	-	265	-	-
Other Revenue	-	-	-	-	-	3,590	8,139
<b>Total Revenues</b>	<u>14,877</u>	<u>7,586</u>	<u>432,509</u>	<u>-</u>	<u>1,740</u>	<u>26,018</u>	<u>8,139</u>
<b>Expenditures</b>							
Current:							
General Government	-	60	-	-	-	-	-
Health and Human Services	20,472	-	-	-	-	-	1,661
Public Safety	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	19,084	-
Education	-	-	432,509	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>20,472</u>	<u>60</u>	<u>432,509</u>	<u>-</u>	<u>-</u>	<u>19,084</u>	<u>1,661</u>
Excess/(Deficiency) of Revenues Over Expenditures	(5,595)	7,526	-	-	1,740	6,934	6,478
<b>Other Financing Sources/(Uses)</b>							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	(7,772)	-
<b>Total Other Financing Sources/(Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,772)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(5,595)	7,526	-	-	1,740	(838)	6,478
Fund Balances at Beginning of Year	<u>8,304</u>	<u>79,806</u>	<u>271</u>	<u>792</u>	<u>5,703</u>	<u>28,599</u>	<u>19,958</u>
Fund Balances at End of Year	<u>\$ 2,709</u>	<u>\$ 87,332</u>	<u>\$ 271</u>	<u>\$ 792</u>	<u>\$ 7,443</u>	<u>\$ 27,761</u>	<u>\$ 26,436</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

**SPECIAL REVENUE FUNDS**

	Agricultural Fund	Student Activities Fund	Brand Memorial Trust	Small Cities Housing Rehabilitation	Opioid Fund	Environmental Fees Fund	Total
<b>Revenues</b>							
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 641,829
Charges for Services	-	40,784	-	-	-	-	90,043
Investment Income	-	-	381	-	-	-	2,546
Other Revenue	-	2,024	-	1,808	-	-	20,981
Total Revenues	<u>-</u>	<u>42,808</u>	<u>381</u>	<u>1,808</u>	<u>-</u>	<u>-</u>	<u>755,399</u>
<b>Expenditures</b>							
Current:							
General Government	-	-	-	-	-	-	12,241
Health and Human Services	-	-	-	-	-	-	25,010
Public Safety	-	-	-	-	-	-	28,320
Recreation	-	-	-	-	-	-	19,084
Education	-	42,223	-	-	-	-	474,732
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>42,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>559,387</u>
Excess/(Deficiency) of Revenues Over Expenditures	-	585	381	1,808	-	-	196,012
<b>Other Financing Sources/(Uses)</b>							
Transfers In	-	-	-	-	-	-	31,501
Transfers Out	-	-	-	-	-	-	(211,652)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(180,151)</u>
Net Change in Fund Balances	-	585	381	1,808	-	-	15,861
Fund Balances at Beginning of Year	<u>708</u>	<u>18,290</u>	<u>11,781</u>	<u>55,636</u>	<u>-</u>	<u>-</u>	<u>282,444</u>
Fund Balances at End of Year	<u>\$ 708</u>	<u>\$ 18,875</u>	<u>\$ 12,162</u>	<u>\$ 57,444</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 298,305</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Combining Statement of Fiduciary Net Position  
Private-Purpose Trust Funds  
June 30, 2023

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	<b>Scholarship Funds</b>	<b>Cemetery Funds</b>	<b>School Trust Fund</b>	<b>Total</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 9,461	\$ 888	\$ 397	\$ 10,746
<b>Total Assets</b>	9,461	888	397	10,746
<b>Deferred Outflows of Resources</b>	-	-	-	-
<b>Liabilities</b>				
Payables	-	-	-	-
<b>Deferred Inflows of Resources</b>	-	-	-	-
<b>Net Position</b>				
Restricted for Scholarships and Other Purposes	\$ 9,461	\$ 888	\$ 397	\$ 10,746

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Combining Statement of Changes in Fiduciary Net Position  
Private-Purpose Trust Funds  
For the Year Ended June 30, 2023

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	<u>Scholarship Funds</u>	<u>Cemetery Funds</u>	<u>School Trust Fund</u>	<u>Total</u>
<b>Additions</b>				
Contributions	\$ -	\$ -	\$ -	\$ -
Investment Income	<u>28</u>	<u>-</u>	<u>-</u>	<u>28</u>
Total Additions	<u>28</u>	<u>-</u>	<u>-</u>	<u>28</u>
<b>Deductions</b>				
Scholarships	630	-	-	630
Other Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deductions	<u>630</u>	<u>-</u>	<u>-</u>	<u>630</u>
Change in Net Position	(602)	-	-	(602)
Net Position at Beginning of Year	<u>10,063</u>	<u>888</u>	<u>397</u>	<u>11,348</u>
Net Position at End of Year	<u>\$ 9,461</u>	<u>\$ 888</u>	<u>\$ 397</u>	<u>\$ 10,746</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
 Budgetary Comparison Schedule  
 Reserve for Capital and Nonrecurring Expenditures Fund  
 For the Year Ended June 30, 2023

	Budget Appropriations July 1, 2022	22/23 Adopted Appropriations	22/23 Adopted Cancellations	Mid-Year Appropriations Adjustments Transfers	Adjusted Appropriations	Current Year Expenditures	Balance Appropriated June 30, 2023
<b>Committed for Active Projects</b>							
Road Resurfacing	\$ 351,440	\$ 246,500	\$ -	\$ -	\$ 597,940	\$ 267,328	\$ 330,612
Box Culvert Replacement/Repair	325,970	125,000	-	-	450,970	10,587	440,383
Hennequin Road Drainage	49,627	-	-	-	49,627	1,770	47,857
Erdoni Road Drainage	5,074	-	-	-	5,074	-	5,074
Preliminary Design & Cost Estimates	4,796	10,000	-	-	14,796	-	14,796
Rec Area Improvement Fund	20,346	-	-	-	20,346	6,470	13,876
Four Year Revaluation	19,044	10,000	-	-	29,044	-	29,044
Town-Wide Network/ IT	2,032	-	(2,032)	-	-	-	-
DPW Capital Equipment	8,149	13,000	-	133,000	154,149	146,211	7,938
DPW Transfer Station Equipment	25,865	10,000	-	-	35,865	-	35,865
Facilities Equipment	2,796	-	(2,796)	-	-	-	-
Facilities Cap Improv - Buildings	58,184	20,000	-	-	78,184	49,648	28,536
HWP Driveway & Sidewalks	20,000	-	-	-	20,000	20,000	-
Bridge On Hop River Road	168,974	55,973	-	-	224,947	-	224,947
HWP HVAC Improvements	-	-	-	499,000	499,000	-	499,000
HWP Floor Replacement/Repair	14,460	15,000	-	-	29,460	-	29,460
HWP Security Project	-	-	-	19,000	19,000	-	19,000
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	-	-	20,000	-	20,000
HWP All-Weather Track	38,165	-	-	-	38,165	32,557	5,608
HWP Asbestos Removal	-	-	-	38,000	38,000	32,870	5,130
Hazardous Tree Removal/Trim	35,047	100,000	-	-	135,047	90,596	44,451
Pucker St Bridge / Rose Bridge Road	4,007	-	(4,007)	-	-	-	-
Senior Center Furnishings	991	-	-	-	991	707	284
Dam Hazard Mitigation	-	55,000	-	-	55,000	9,000	46,000
CVFD Capital Projects	2,475	322,293	-	-	324,768	27,882	296,886
<b>Total Committed for Active Projects</b>	<u>1,201,197</u>	<u>992,766</u>	<u>(8,835)</u>	<u>689,000</u>	<u>2,874,128</u>	<u>695,626</u>	<u>2,178,502</u>
<b>Committed for Future Projects</b>							
Land Acquisition	53,501	-	-	-	53,501	-	53,501
<b>Total Committed for Future Projects</b>	<u>53,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,501</u>	<u>-</u>	<u>53,501</u>
	<u>\$ 1,254,698</u>	<u>\$ 992,766</u>	<u>\$ (8,835)</u>	<u>\$ 689,000</u>	<u>\$ 2,927,629</u>	<u>\$ 695,626</u>	<u>\$ 2,232,003</u>

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Schedule of Property Taxes Levied, Collected, and Outstanding  
For the Year Ended June 30, 2023

List of 10/1:	Outstanding July 1, 2022	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections During the Year				Outstanding June 30, 2023	
			Additions	Deductions			Taxes	Interest	Liens & Fees	Total		
2021		\$ 15,230,216	\$ 36,674	\$ 89,609	\$ 74	\$ 15,177,207	\$ 15,059,769	\$ 49,728	\$ 1,322	15,110,819	\$ 117,438	
2020	\$ 147,896	-	3,278	6,944	-	144,230	104,653	23,245	692	128,590	39,577	
2019	64,074	-	446	1,412	-	63,108	42,018	15,322	234	57,574	21,090	
2018	37,741	-	-	-	6,729	31,012	20,274	11,198	126	31,598	10,738	
2017	17,087	-	-	-	1,468	15,619	6,654	3,534	32	10,220	8,965	
2016	11,312	-	-	-	1,347	9,965	3,215	1,332	2	4,549	6,750	
2015	6,329	-	-	-	-	6,329	485	546	2	1,033	5,844	
2014	4,217	-	-	-	-	4,217	-	-	-	-	4,217	
2013	3,969	-	-	-	-	3,969	-	-	-	-	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>\$ 315,368</b>	<b>\$ 15,230,216</b>	<b>\$ 40,398</b>	<b>\$ 97,965</b>	<b>\$ 9,618</b>	<b>\$ 15,478,399</b>	<b>15,237,068</b>	<b>104,905</b>	<b>2,410</b>	<b>15,344,383</b>	<b>\$ 241,331</b>	
Net Grand List - October 1, 2021							Total Suspense Collections	1,019	2,004	5	3,028	
Tax Rate: 25.87 mills							Total Collections	<b>\$ 15,238,087</b>	<b>\$ 106,909</b>	<b>\$ 2,415</b>	<b>\$ 15,347,411</b>	

See accountant's report.

**TOWN OF COLUMBIA, CONNECTICUT**

Schedule of Debt Limitation

June 30, 2023

Total Tax Collections, Including Interest and Lien Fees - Prior Fiscal Year \$14,839,664

Reimbursement for Revenue Loss on:

    Tax Relief for Elderly - Prior Fiscal Year -

Base \$ 14,839,664

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
	(2.25 x base)	(4.50 x base)	(3.75 x base)	(3.25 x base)	(3.00 x base)
Debt Limitation:					
Statutory Debt Limits by Function	<u>\$ 33,389,244</u>	<u>\$ 66,778,488</u>	<u>\$ 55,648,740</u>	<u>\$ 48,228,908</u>	<u>\$ 44,518,992</u>
Indebtedness:					
Bonds Payable	-	-	-	-	-
Authorized but Unissued	-	-	-	-	-
Total Indebtedness	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Debt*	<u>\$ 33,389,244</u>	<u>\$ 66,778,488</u>	<u>\$ 55,648,740</u>	<u>\$ 48,228,908</u>	<u>\$ 44,518,992</u>

\*In no event shall total debt exceed seven times annual receipts from base. The maximum amount permitted under this formula would be approximately \$103,877,648.

See accountant's report.

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# **TOWN OF COLUMBIA, CONNECTICUT**

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Federal Single Audit

For the Year Ended June 30, 2023



**TOWN OF COLUMBIA, CONNECTICUT**

Table of Contents

For the Year Ended June 30, 2023

---

	<u>Page</u>
<b>Internal Control and Compliance Report</b>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
<b>Federal Single Audit Section</b>	
Independent Auditor’s Report on Compliance for Each Major Federal Program. Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance	3
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8



**INDEPENDENT AUDITOR'S 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, Connecticut

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, Connecticut (the "Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated February 23, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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.

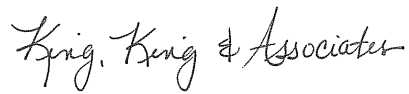
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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'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'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



King, King & Associates, CPAs  
Winsted, CT  
February 23, 2024



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

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

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

***Opinion on Each Major Federal Program***

We have audited the Town of Columbia, CT's ("Town") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2023. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town 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 federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with the 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 audit requirements of Title 2 U.S Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements* for Federal Awards (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Town's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on the compliance about the Town's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 federal 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 federal 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 federal 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.

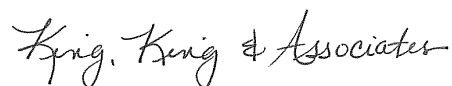
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We have issued our report thereon dated February 23, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



King, King & Associates, CPAs  
Winsted, CT  
February 23, 2024

**TOWN OF COLUMBIA, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER TITLE	FEDERAL AL NUMBER	PASS-THROUGH ENTITY'S IDENTIFYING NUMBER	AMOUNTS PROVIDED TO SUBRECIPIENTS	TOTAL EXPENDED
<b>United States Department of Education</b>				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Title I, Part A Cluster:				
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679	\$ -	\$ 22,056
Special Education Cluster (IDEA):				
Special Education - Preschool Grants	84.173	12060-SDE64370-20983	-	5,225
COVID-19 - ARP IDEA 619	84.173X	12060-SDE64370-29684	-	1,732
COVID-19 - Special Education Stipend	84.027	12060-SDE64370-20977	-	15,000
COVID-19 - ARP IDEA 611	84.027X	12060-SDE64370-23083	-	18,215
Special Education - Grants to States	84.027	12060-SDE64370-20977	-	132,425
			<u>-</u>	<u>172,597</u>
Title II - Improving Teacher Quality Grants	84.367	12060-SDE64370-20858	-	7,302
Title IV - Student Support and Academic Enrichment	84.424	12060-SDE64370-22854	-	10,000
Education Stabilization Fund Cluster:				
COVID-19 - Elementary & Secondary School Emergency Relief Fund (ESSER)	84.425D	12060-SDE64370-29571	-	26,950
COVID-19 - ARP - Elementary & Secondary School Emergency Relief Fund (ARP ESSER)	84.425U	12060-SDE64370-29636	-	136,576
			<u>-</u>	<u>163,526</u>
<i>Direct:</i>				
Rural Education Achievement Program	84.358	N/A	-	27,976
<b>Total United States Department of Education</b>			<u>-</u>	<u>403,457</u>
<b>United States Department of the Treasury</b>				
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>				
COVID - 19 - American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds	21.027	12060-OPM20600-29669	-	691,618
<b>Total United States Department of the Treasury</b>			<u>-</u>	<u>691,618</u>
<b>United States Election Assistance Commission</b>				
<i>Passed Through the State of Connecticut Secretary of State:</i>				
Help America Vote Grant	90.401	12060-SOS12500-21465	-	1,794
<b>Total United States Election Assistance Commission</b>			<u>-</u>	<u>1,794</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ -</u>	<u>\$ 1,096,869</u>

See notes to schedule.

**TOWN OF COLUMBIA, CONNECTICUT**  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023

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**Basis of Presentation**

The accompanying schedule of expenditures of federal awards (“Schedule”) includes the federal grant activity of the Town of Columbia, Connecticut (“Town”) under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

**Summary of Significant Accounting Policies**

Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The financial statements for the governmental fund types contained in the Town’s basic financial statements are prepared on the modified accrual basis of accounting. The government-wide financial statements are prepared on the full accrual basis of accounting.

- Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period.
- Expenditures are generally recorded when the related fund liability is incurred, if measurable.

Expenditures reported on the Schedule are reported 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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Indirect Costs**

The Town of Columbia has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.



**TOWN OF COLUMBIA, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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**I. SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

We audited the financial statements of the Town of Columbia, Connecticut as of and for the year ended June 30, 2023, and issued our unmodified report thereon dated February 23, 2024.

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

*Federal Awards*

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 Federal programs.

Any audit findings disclosed that are required to be reported in accordance with Section 516(a) of the Uniform Guidance?  Yes  No

**Identification of Major Programs**

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	ARPA - State and Local Fiscal Recovery Funds

**Dollar Threshold**

Dollar threshold used to distinguish between type A and type B programs: \$750,000.

**Low-Risk Auditee**

The Town of Columbia, Connecticut did not qualify as a low-risk auditee.

**II. FINANCIAL STATEMENT FINDINGS**

- We issued reports, dated February 23, 2024, 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 matters were reported.

**III. FEDERAL AWARD - FINDINGS AND QUESTIONED COSTS**

No findings or questioned costs are reported relating to federal award programs.

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# **TOWN OF COLUMBIA, CONNECTICUT**

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State Single Audit

For the Year Ended June 30, 2023

**TOWN OF COLUMBIA, CONNECTICUT**

Table of Contents

For the Year Ended June 30, 2023

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	<u>Page</u>
<b>Internal Control and Compliance Report</b>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
<b>State Single Audit Section</b>	
Independent Auditor’s 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	3
Schedule of Expenditures of State Financial Assistance	6
Notes to Schedule of Expenditures of State Financial Assistance	7
Schedule of Findings and Questioned Costs	8



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**INDEPENDENT AUDITOR'S 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, Connecticut

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, Connecticut (the "Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated February 23, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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'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'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



King, King & Associates, CPAs  
Winsted, CT  
February 23, 2024



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**INDEPENDENT AUDITOR'S 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, Connecticut

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

***Opinion on Each Major State Program***

We have audited the Town of Columbia, CT's (Town) 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's major state programs for the year ended June 30, 2023. The Town's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town 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, 2023.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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 (C.G.S Section 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of the report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's state programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the State Single Audit will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on the compliance about the Town's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist in internal control over compliance that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

### **Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We have issued our report thereon dated February 23, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is 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 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 schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



King, King & Associates, CPAs  
Winsted, CT  
February 23, 2024



**TOWN OF COLUMBIA, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Core-CT Number	Expenditures
<b>Connecticut State Library</b>		
Historic Document Preservation Grant	12060-CSL66094-35150	\$ 5,500
<b>Department of Transportation</b>		
Town Aid Road Grants - Municipal	12052-DOT57131-43455	133,664
Town Aid Road Grants - STO	13033-DOT57131-43459	133,664
<b>Department of Education</b>		
Talent Development	11000-SDE64370-12552	207
Adult Education	11000-SDE64370-17030	1,973
<b>Judicial Branch</b>		
Judicial Fines and Fees	34001-JUD95162-40001	1,545
<b>Department of Children and Families</b>		
Youth Service Bureau	11000-DCF91141-17052	14,102
Youth Service Bureau Enhancement	11000-DCF91141-17107	5,678
Community Based Prevention	11000-DCF91141-16092	7,299
<b>Office of Policy and Management</b>		
Tiered Payment in Lieu of Taxes (PILOT)	11000-OPM20600-17111	5,247
MRSA Tiered Payment in Lieu of Taxes (PILOT)	12060-OPM20600-35691	1,418
Municipal Revenue Sharing	12060-OPM20600-35458	106,458
Property Tax Relief for Totally Disabled Persons	11000-OPM20600-17011	512
Municipal Grants-in-aid	12052-OPM20600-43587	26,763
Property Tax Relief for Veterans	11000-OPM20600-17024	2,484
<b>Total State Financial Assistance Before Exempt Programs</b>		<b>\$ 446,514</b>
<b>EXEMPT PROGRAMS</b>		
<b>Department of Education</b>		
Educational Cost Sharing	11000-SDE64370-17041-82010	\$ 2,323,111
Excess Cost Student Based and Equity	11000-SDE64370-17047	127,712
<b>Office of Policy and Management</b>		
Municipal Stabilization Grant	11000-OPM20600-17104	28,393
Mashantucket Pequot and Mohegan Fund	12009-OPM20600-17005	4,857
<b>Total Exempt Programs</b>		<b>2,484,073</b>
<b>Total State Financial Assistance</b>		<b>\$ 2,930,587</b>

See notes to schedule.

**TOWN OF COLUMBIA, CONNECTICUT**  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2023

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The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Columbia, Connecticut under programs of the State of Connecticut for the fiscal year ended June 30, 2023. 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 of the Town.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town of Columbia, Connecticut 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, Connecticut's annual report, are prepared on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become both measurable and available while expenditures are recognized in the accounting period in which the fund liability is incurred.

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

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to 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 Expenditure of State Financial Assistance.

**TOWN OF COLUMBIA, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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**I. SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

We audited the financial statements of the Town of Columbia, Connecticut as of and for the year ended June 30, 2023 and issued our unmodified report thereon dated February 23, 2024.

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>
<b>Department of Transportation</b>		
Town Aid Road Grants - Municipal	12052-DOT57131-43455	\$ 133,664
Town Aid Road - STO	13033-DOT57131-43459	\$ 133,664
<b>Office of Policy and Management</b>		
Tiered Payment in Lieu of Taxes (PILOT)	11000-OPM20600-17111	\$ 5,247
MRSA Tiered Payment in Lieu of Taxes (PILOT)	12060-OPM20600-35691	\$ 1,418
Municipal Revenue Sharing	12060-OPM20600-35458	\$ 106,458

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

**TOWN OF COLUMBIA, CONNECTICUT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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**II. FINANCIAL STATEMENT FINDINGS**

- We issued reports, dated February 23, 2024, 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 matters were reported.

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

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