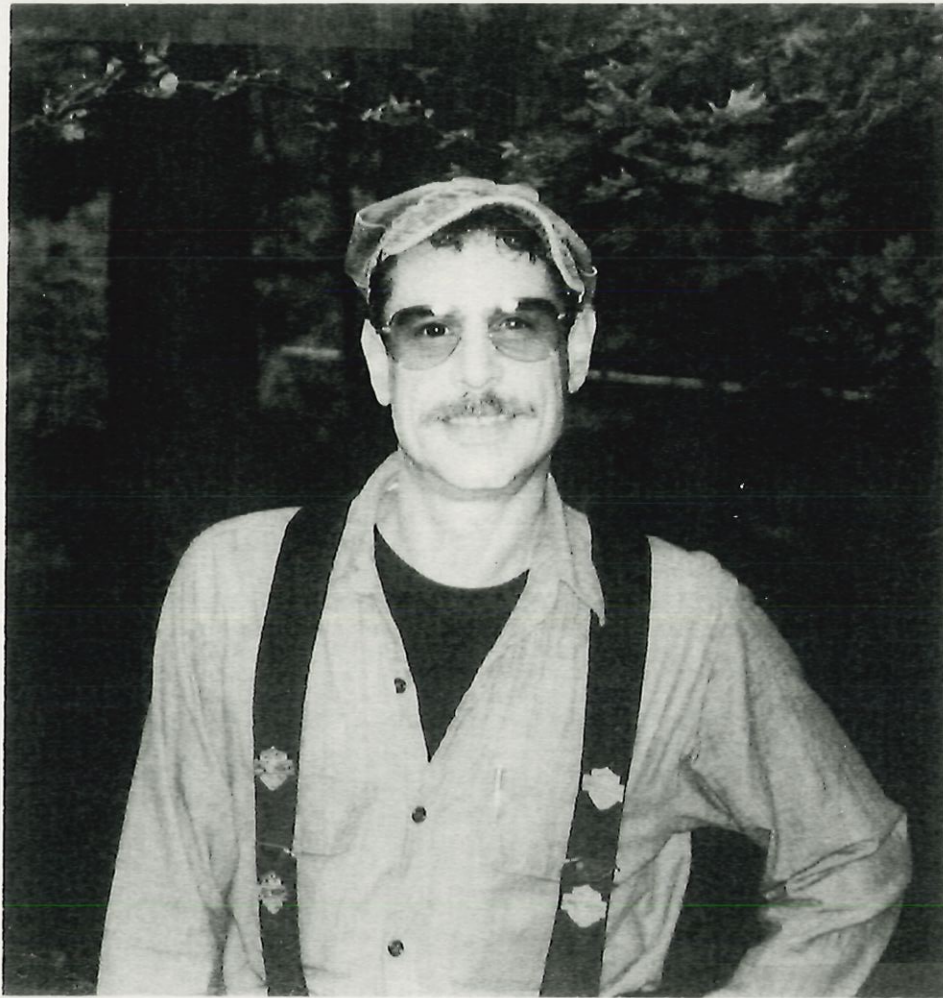


*Town of Colebrook
Connecticut*

Est. 1779

ANNUAL REPORT
for the year ending June 30th, 2014



IN MEMORY OF:

ROBERT A SUPRENANT

The town of Colebrook is deeply indebted to Robert ("Soupy") Suprenant for his many years of service to the town and community.

Bob moved to Colebrook in 1983, serving 23 years on the Planning & Zoning Commission.

Bob passed away September 23rd, 2015 and will be missed by our town and residents.

May he rest in peace

TOWN OFFICIALS

OFFICE/INCUMBENT

TERM

BOARD OF SELECTMEN

Thomas D. McKeon, First Selectman 11/19/13 – 11/17/15
Joseph J. Alciati, Sr., Selectman 11/19/13 – 11/17/15
Christopher L. Johnstone, Selectman 11/19/13 – 11/17/15

TOWN CLERK AND
REGISTRAR OF VITAL STATISTICS

Debra L. McKeon 01/06/14 – 01/05/16
N. Joyce Nelson, Assistant 01/06/14 – 01/05/16

TOWN TREASURER

Amy B. Gardner 11/19/11 – 11/17/15

TAX COLLECTOR

Laura M. Bartlett 11/19/13 – 11/17/15

BOARD OF FINANCE

James Millar, Jr., Chairman 11/19/13 – 11/19/19
Robert D. Carfiro 11/19/13 – 11/19/19
Thomas R. Corvo 11/17/09 – 11/17/15
John J. Dorazio 11/17/09 – 11/17/15
Martha F. Neal 11/22/11 – 11/22/17
Diane E. Johnstone 11/22/11 – 11/22/17

BOARD OF EDUCATION

Jeanne R. Jones, Chairman 11/22/11 – 11/24/15
Melissa J. Miller 11/19/13 – 11/22/17
Bernard R. Adams 11/19/13 – 11/22/17
Helen Louise Plager 11/19/13 – 11/22/17
Lisa Ann B. Fragale 11/22/11 – 11/24/15
Amy B. Gardner 11/22/11 – 11/24/15
Hope L. Carfiro 11/22/11 – 11/24/15

SUPERINTENDENT/PRINCIPAL

James Chittum/Beth Driscoll 860-379-2179

ASSESSORS

Michele Sloane, CCMA I, Assessor 860-379-3359 ext.206

BOARD OF ASSESSORS

William E. Nelson, Jr., Chairman
Edward A. Allen
Geraldine M. Kassel

OFFICE/INCUMBENT

TERM

BOARD OF ASSESSMENT APPEALS

Frank W. Thompson, Chairman	11/22/11 – 11/24/15
Nadia M. Corvo	11/19/13 – 11/22/17
Lisa Ann Swanton	11/19/13 – 11/22/17

CONSTABLES

John H. Lossin	11/19/13 – 11/17/15
Gerald J. Peters	11/19/13 – 11/17/15
Alfred Richard Tillotson	11/19/13 – 11/17/15
Fletcher H. Smith	11/19/13 – 11/17/15

REGISTRARS OF VOTERS

Helen Campbell, Republican	01/07/15 – 01/04/17
Karen M. Odell, Democratic	01/07/15 – 01/04/17

JUSTICES OF THE PEACE

Mary L. Baker	01/07/13 – 01/02/17
Sally A. Coleman	01/07/13 – 01/02/17
Todd H. Correll	01/07/13 – 01/02/17
Brittany M. McKeon	01/07/13 – 01/02/17
John P. Parisi	01/07/13 – 01/02/17
Janet H. Rathbun	01/16/13 – 01/02/17
Astrid C. Tury	01/16/13 – 01/02/17
Sidney S. VanLeer	01/07/13 – 01/02/17
Harry E. White	01/07/13 – 01/02/17
Penelope F. White	01/16/13 – 01/02/17
Gloria M. Wilber	01/07/13 – 01/02/17
Susan T. Caufield	10/15/14 – 01/02/17

PLANNING AND ZONING COMMISSION

Robert A. Suprenant (Chairman)	10/12 – 10/15
Edward A. Allen	10/13 – 10/16
James Millar, Jr.	10/13 – 10/16
James L. Bickford	10/14 – 10/17
Edward G. Lord, III	10/14 – 10/17

ALTERNATES

William S. Campbell	10/12 – 10/15
Vacancy	10/13 – 10/16
Phillip E. Bainbridge	10/14 – 10/17

OFFICE/INCUMBENT

TERM

ZONING BOARD OF APPEALS

Fred P. Williams, Chairman	10/14 – 10/16
Charles Buchanan	10/14 – 10/16
Thomas E. Lawton	10/13 – 10/15
Robert R. Lauzier	10/13 – 10/15
Carol Ann Sherwood	10/13 – 10/15

ALTERNATES

Noah Ullman	10/14 – 10/17
Scott Norton	10/13 – 10/16
Ronald Dorazio	10/12 – 10/15

INLAND WETLANDS COMMISSION

Duncan Wilber, Chairman	09/15 – 02/18
Raymond L. Swanton	02/14 – 02/17
George Neal	02/14 – 02/17
Todd W. Hiller	09/15 – 02/18
John H. Lossin	05/13 – 02/16

ALTERNATES

John K. Odell, Sr.	10/15 – 05/18
Ray Zeyte	06/14 – 05/17
Vacancy	05/13 – 05/16

CONSERVATION COMMISSION

Jerome Rathbun, Chairman	11/01/12 – 10/31/15
Edna H. Travis	11/01/12 – 10/31/15
James Rogers	11/01/14 – 10/31/17
Sally Stebbins	11/01/14 – 10/31/17
Gregory P. Millard	11/01/14 – 10/31/17
Edward L. Lestinsky	11/01/14 – 10/31/17
James L. Bickford	11/01/13 – 10/31/16
Shayne R. Young	11/01/13 – 10/31/16
Vacancy	11/01/14 – 10/31/17
Vacancy	11/01/13 – 10/31/16
Vacancy	11/01/12 – 10/31/15

ALTERNATES

Vacancy	11/01/13 – 10/31/15
Vacancy	11/01/13 – 10/31/15
Vacancy	11/01/14 – 10/31/17

LAND USE ADMINISTRATOR/LAND USE SECRETARY

Michael Halloran	860-379-3359 ext.209
------------------	----------------------

BUILDING OFFICIAL

Marc C. Melanson	379-3359 ext. 201
------------------	-------------------

OFFICE/INCUMBENT

TERM

RECREATION BOARD

Carmelo J. D'Urso, Chairman	10/13 – 10/16
Gregory F. Gardner	10/13 – 10/16
Tracy Groman	10/12 – 10/15
Jenifer Hill	10/14 – 10/17
Daniel Ward (Filled vacancy)	11/14 – 10/17
Amy D'Amore (Filled vacancy)	12/14 – 10/15
Vacancy	10/12 – 10/15

HISTORIC DISTRICT COMMISSION

Kimberly H. Crocker, Chairman	10/14 – 10/19
James L. Bickford	10/13 – 10/18
Geraldine Kassel	10/14 – 10/17
Julia Andresen	10/11 – 10/16
James E. Rogers	10/10 – 10/15

ALTERNATES

Rebecca Bodycoat	10/14 – 10/17
Janet H. Rathbun	10/13 – 10/16
Mary L. Baker	10/12 – 10/15

REGIONAL SCHOOL DISTRICT NO. 7

Theresa J. Kenneson	07/01/13 – 07/01/17
Dennis E. Spector	07/22/15 – 07/01/19

SENIOR AND COMMUNITY CENTER

Susan Cantwell, Advisory Board Chairman	860-738-9521
Janet Fredsall, Director	
Barbara Cormier, Site Manger	

FARMINGTON VALLEY HEALTH DISTRICT

1-800-909-3843

FIRE MARSHAL

Mark Melanson	379-3359 ext. 201
---------------	-------------------

EMERGENCY MANAGEMENT

Alfred R. Tillotson	379-3359 ext. 201
---------------------	-------------------

BURNING PERMIT OFFICERS

Benjamin Bartlett	860-738-4151
Richard Wilber	860-379-1651
Craig Carfiro	860-379-5747
Edward Bascetta	860-379-9215

ANIMAL CONTROL OFFICER

Adam Boyle	860-201-3217
------------	--------------

JUDGE OF PROBATE (TORRINGTON)

Michael Magistrali, Esq.	860-489-2215
--------------------------	--------------

TOWN ATTORNEY

Muschell & Simoncelli, LLP	860-482-6501
----------------------------	--------------

As my fourth term comes to an end we continue to do infrastructure and building repairs.

The Colebrook Historical Society building project was completed with the help of a STEAP Grant from the state. The Town Hall has been repainted and a new furnace system has been installed.

The Campbell Road Bridge Project will be completed this fall, which for the current time bridge replacement and repairs will have been completed.

The Colebrook Senior Community Center has received our new van in thanks to the Draper Foundations assistance in covering fifty percent of the cost. This has allowed us to add more trips that have been extremely popular. Our fundraisers and meal program has also been successful this past year.

The Colebrook Fair was the most successful event to date with a huge crowd. Thanks to the Fair Committee for their hard work to make this event happen.

As in the past I would like to thank the volunteers that serve our town boards and commissions, our Fire Department and the Colebrook Senior Community Center. Keep in mind that the town is always looking for volunteers to participate on these commission.

Thomas D. McKeon
First Selectman

CALENDAR OF MEETINGS

BOARD OF SELECTMEN

2nd Monday of each month – Town Hall, 6:30 P.M.

BOARD OF FINANCE

3rd Wednesday as necessary – Town Hall, 7:00 P.M.

BOARD OF EDUCATION

1st Wednesday of each month – Colebrook Consolidated School, 7:00 P.M.

PLANNING AND ZONING COMMISSION

2nd Monday of each month – Town Hall, 7:00 P.M.

ZONING BOARD OF APPEALS

As necessary – Town Hall, 7:00 P.M.

INLAND WETLANDS COMMISSION

3rd Tuesday of each month – Town Hall, 7:00 P.M.

CONSERVATION COMMISSION

2nd Tuesday of each month – Town Hall, 7:00 P.M.

RECREATION BOARD

2nd Tuesday of each month – Town Hall, 6:30 P.M.

REGIONAL SCHOOL DISTRICT NO. 7

2nd and 4th Wednesdays of each month – Regional School, 6:00 P.M.
(Except July, August and December) Regular meetings during those months will be
July 2nd Wednesday, August 4th Wednesday and December 2nd Wednesday

ANNUAL TOWN BUDGET MEETING

1st Monday of May – Town Hall, 8:00 P.M.
(Budget Hearing at least two weeks before Town Meeting)

ANNUAL TOWN MEETING

3rd Monday of October – Town Hall, 8:00 P.M.

ELECTION DAY

Tuesday, November 3, 2015, 6:00 A.M. – 8:00 P.M.
Town Hall, Meeting Room 2nd Floor

TOWN OF COLEBROOK

TOWN HALL DEPARTMENTS

Town Hall
Monday through Friday
9:00 am – 4:30 pm

Check with individual departments for operating hours
(closed for holidays as posted)

FIRST SELECTMAN

Thomas D. McKeon

Phone: (860)379-3359 x202 Fax: (860)379-7215
Email: tommckeon@colebrooktownhall.org

TOWN CLERK

Debra McKeon

Phone: (860)379-3359 x213 Fax: (860)379-2342
Email: dmckeon@colebrooktownhall.org

TOWN TREASURER

Amy Gardner

Phone: (860)379-3359 x212 Fax: (860)379-7215
Email: agardner@colebrooktownhall.org

TAX COLLECTOR

Laura Bartlett

Phone: (860)379-3359 x204 Fax: (860)379-7215
Email: lbartlett@colebrooktownhall.org

ASSESORS OFFICE

Michele Sloane

Phone: (860)379-3359 x206 Fax: (860)379-7215
Email: msloane@colebrooktownhall.org

LAND USE OFFICE

Michael Halloran
Land Use Official

Phone: (860)379-3359 x209 Fax: (860)379-7215
Email: mhalloran@colebrooktownhall.org

Marc Melanson
Building Official

Phone: (860)379-3359 x201 Fax: (860)379-7215
Email: ljasmin@colebrooktownhall.org

REGISTRAR OF VOTERS

Karen Odell
Helen Campbell

Phone: (860)379-3359 x211 Fax: (860)379-7215
Email: rov@colebrooktownhall.org

**TOWN ADMINISTRATIVE
ASSISTANT**

Lee Ann Jasmin

Phone: (860)379-3359 x201 Fax: (860)379-7215
Email: ljasmin@colebrooktownhall.org

**DEPARTMENT OF
PUBLIC WORKS**

William Jasmin, Foreman

Phone: (860)379-8306 Fax: (860)379-7215
Email: ljasmin@colebrooktownhall.org

ASSESSOR'S OFFICE

The Assessor's Office is responsible for discovering, valuing and updating all taxable property including real estate, motor vehicles and personal property in the Town of Colebrook. After the Grand List of taxable property is finalized in January, the budget process begins, finishing with the establishing of a mill rate.

This year we are completing the state mandated 2015 Revaluation update of all Real Estate in the Town of Colebrook. Assessment change notices will be mailed in December. Further information will be available in the town newsletter.

The Assessor's Office also administers many tax relief and exemption programs. If you are elderly (over 65 or a surviving spouse), disabled or blind, are a veteran or currently an active duty member of the armed forces, you may be eligible for certain tax relief programs. Renters over the age of 65 or totally disabled also may be eligible for the State's Renters Rebate Program. Those landowners interested in preserving their land as FOREST, FARM LAND or OPEN SPACE at a reduced assessment should inquire about the State of Connecticut's Public Act 490 Program.

Please stop in or call 860-379-3359 ext. 206 for more information or to request applications for any tax relief programs. With the exception of Tuesdays, I have office hours each afternoon but may also be reached by email at msloane@colebrooktownhall.org.

Michele Sloane, CCMAI
Assessor

LAND USE OFFICE

The responsibility of the Land Use Office is to work with residents and members of the general public who have concerns, questions, and needs relating to the use of all land in the Town of Colebrook. The Land Use Office works with three boards, The Planning and Zoning Commission, the Zoning Board of Appeals, and the Inland Wetlands and Watercourse Agency. We also coordinate with the building dept., public works, the Conservation Commission, and the Historic District Commission.

This last year saw the completion of the POCD, the Town Plan Sub Committee did a wonderful job with the update. We are currently working on updating our Zoning Regulations. Both the Wetlands Agency and the Planning and Zoning Commission have worked very hard to better understand and interpret their respective regulations through workshops and training sessions.

Currently the office hours are Mondays, 1:00am to 5:00pm and Wednesdays, 9:00am to 5:00pm. I can be reached by phone at 860-379-3359 ext. 209 or by email at mhalloran@colebrooktownhall.org

Michael J. Halloran
Land Use Administrator

TAX COLLECTOR

The Tax Collector's Office is responsible for the billing and collection of Town property taxes and all related penalty charges. Its mission is to assist in maintaining the fiscal stability of the Town by ensuring the timely collection and recording of all taxes through the diligent application of State Statutes, Town Ordinances, regulations and other enforcement aids, while assisting the public in understanding the taxation process and procedures and maintaining an effective and cordial relationship with the general public.

The Collector is also responsible for reporting fiscal information to various Town Departments, Boards and Commissions, the State of Connecticut and the United States Bureau of the Census.

Laura Bartlett has been the Tax Collector for Colebrook since November 2004. This is a part-time elected position. Laura is a Certified Connecticut Municipal Collector and is a member of the Connecticut Tax Collector's Association, Inc. and the Litchfield County Tax Collector's Association. Office hours are posted, or you can reach Laura at 860-379-3359 Ext.204 or by email: lbartlett@colebrooktownhall.org

TOWN TREASURER

The Treasurer is the Town's in-house banker and accountant, monitoring the Town's financial activities and ensuring the accuracy of financial records. The Treasurer manages and reconciles the Town's checking and investment accounts, and provides timely financial reports to the Selectmen, Board of Finance, accountants, auditors, and various Town organizations, including the Senior & Community Center and the Recreation Commission.

Amy Gardner has been the Treasurer for Colebrook since November 2012. This is a part-time elected position. Amy can be reached at 379-3359 Ext. 212

The Colebrook Senior and Community Center

2 School House Road, P.O. Box 5
Colebrook, CT 06021
860-738-9521
seniordirector@colebrooktownhall.org

OUR MISSION

The mission statement of the Colebrook Senior and Community Center is to provide appropriate services as needed to the town, to partner with the community civic activities, to offer nutritious meals to seniors and friends, to be an educational as well as recreational place for all ages, and to be an active participant in the Colebrook Community.

HOURS OF OPERATION

The Center is open during the week at varied hours depending on scheduled activities. The Center will open upon request for special activities, events, or meetings. With a fully equipped kitchen and large hall, it is a convenient location for a variety of functions. The Center may also be rented for private parties and gatherings.

ACTIVITIES AND SERVICES

Nutritious, affordable "home-cooked" meals are prepared on-site and served on Tuesdays and Thursdays. In addition, we offer brunches, potlucks, restaurant lunch trips, breakfasts, and picnics. All ages are welcomed. Take out and deliveries are available.

Van transportation is available and provided under agreement with Northwest Transit, the Town of Colebrook, and a State grant. Anyone in need of a ride to the Center for activities or events, shopping, town meetings, or appointments may utilize this service.

Regularly scheduled programs have included weekly needlecrafts, quilting, crafts, coffee hour, yoga and line dancing. Monthly activities include day trips, health screenings, lunch with Colebrook Consolidated School classes, and scrapbooking. Annually, the Center participates in the Colebrook Fair and the Holiday Craft Fair. It holds three popular fundraising events each year—The Turkey Dinner held in September, a Chicken BBQ in April, and a Corned Beef and Cabbage Dinner in March. We often have potluck suppers with a speaker. And speakers are also available at some of our lunches. Future plans are to offer nutritional and diabetic care classes.

We coordinate with fellow organizations in town to produce an Annual Community Calendar, and a monthly Community Newsletter. The newsletter is available at the Center, the Colebrook Post Office, the Colebrook Store, the Colebrook Town Hall, and online. It is also available via email.

We are deeply grateful to the townspeople of Colebrook for their generous support. We hope to provide activities and services to our community well into the future with your continued support.

Barbara Cormier and Janet Fredsall, Co-Directors

The Colebrook Historical Society

Located in the village center, The Seymour Inn, built in 1816, is the home of the Colebrook Historical Society. The museum houses a rich collection representing various aspects of life in Colebrook from the mid 1700's to the present, as well as an extensive genealogy department. Work continues by volunteers to restore the interior of the building to its former simplicity and beauty. Special exhibits are held during the summer and fall season, as well as community receptions. One of the highlights has been our Friday Night Gatherings and occasional Fireside Chats featuring speakers who share their unique and personal historical expertise and experience – a successful event for all the community to enjoy.

The Rock School has been reborn. The building saving stabilization measures have been completed, along with interior restoration work. Truly a jewel from the past, this school was erected in 1779, educating Colebrook's children until 1911. It has never been electrified, nor has it ever had running water or indoor plumbing! We look forward to our annual Ice Cream Social in August to celebrate this unique building. Our hope is that the Rock School will continue to be a place where the school children gather - as well as the community – a place where young and old can share their knowledge and dreams.

Community is what the Colebrook Historical Society is all about. Stop by the Society to see our community's treasured past on display. Attend our special programs during the season. Check our website often, as well as our Facebook page, for details on upcoming events and the latest discoveries about our Colebrook history.

www.colebrookhistoricalsociety.org

**FOOTHILLS VISITING NURSE & HOME CARE, INC.
COLEBROOK TOWN REPORT 2014-2015**

Organized as the Winsted Visiting Nurse Assoc. in 1922 by the Red Cross, Foothills Visiting Nurse & Home Care, Inc. has been providing expert, compassionate home health, Hospice and palliative care to the residents of Northwest Connecticut for 93 years. In 1973 the Public Health Nursing Associations of Barkhamsted and New Hartford merged with the Winsted Visiting Nurse Association to create Regional Health Services. In 1974 full services were provided to Colebrook and in 1979 Norfolk Public Health Services merged into this group. In 1991 our name changed to Foothills Visiting Nurse & Home Care, Inc.

Foothills is a State licensed, Medicare certified, non-profit VNA providing care 24 hours a day, 7 days a week. Foothills provides services in the areas of Skilled Nursing, Physical, Occupational and Speech Therapies, Medical Social Work, Hospice, IV Therapy, Dietary, Pediatrics, Wound Care, and Chronic Disease Management. Bereavement Programs and Telemonitoring are also provided.

Foothills VNA is very proud to be named to the 2014, 2013, 2012, 2011, 2010, 2009 and 2008 HomeCare Elite and identified as one of the best Home Care Agencies in the United States.

Foothills has undergone a major building addition project and has added 4,500 square feet of space to its existing building. Project was completed December 31, 2011.

Foothills employs 75 people, 95% of whom reside locally in Northwest Connecticut.

Foothills is proud of its long-standing history with the Town of Colebrook. 20 persons from Colebrook received home health services from Foothills during the past year.

Foothills receives an annual allocation from the town to help defray the costs of providing free Health Promotion visits and Public Health Programs. Health Promotion is a program in which certain elderly at-risk patients, who normally live alone and no longer qualify for insurance benefits, are routinely monitored free of charge by one of our staff nurses.

Seventy two (72%) percent of all our patients were age 65 or older.

Foothills offers home cosmetology services by a licensed cosmetologist. Services include hair cuts/sets/permanents and manicures.

Foothills provides free space two days per month for voucher distribution by WIC (Women, Infants, and Children) Nutrition Program.

This past year Foothills was able to conduct 6 public and many private flu and pneumonia clinics and administered 1,881 vaccines to mostly high risk individuals. All ages, 18 and older, were welcome to attend. One clinic was held at the Colebrook Senior Center this past year.

Foot Care Clinics are held every other month at the Community Center. They are currently open to persons 65 or

older. Twenty seven (27) foot care procedures were performed. Blood Pressure and Cholesterol screenings are held monthly at the Community Center. Blood Pressure readings are free of charge with Cholesterol Screenings costing \$5.00. One hundred eight (108) blood pressures screenings and one Cholesterol Screening were performed in 2014 - 2015.

Since Foothills is a non-profit health agency, the Board of Directors serve on a voluntary basis and represent all the towns in which full services are provided. The representatives from Colebrook for 2014 - 2015 were: Theodore Vaill – Treasurer (since – 1977)
Janet Rathbun- Secretary (since – 1989)

Foothills provides full service to the towns of Colebrook, Barkhamsted, New Hartford, Norfolk, and Winsted/Winchester. Foothills provides therapeutic only services to the towns of Burlington, Canaan, Canton, Goshen, Hartland, Harwinton, Litchfield, and Torrington.

Referrals for services are accepted from anyone and services are provided regardless of ability to pay, as long as contributions, grants and other appropriations are sufficient to cover these costs.

Michael Caselas, Executive Director

NORTHWEST HILLS COUNCIL OF GOVERNMENTS

The Northwest Hills Council of Governments (COG) opened the doors to its new office this year at the Village Market Place in Goshen Center to serve our 21-town region. The COG's work program includes activities in both regional planning and regional service delivery. Planning activities include developing a regional plan of conservation and development, a regional transportation plan, natural hazard mitigation plans, emergency management planning, and village center revitalization. For more information, news, events, and planning resources please visit our website: www.northwesthillscog.org.

This year, the COG began work on two new grant funded projects, the NW CT Food Hub Feasibility Study to better connect local farmers with wholesale buyers and the 8-Town Shared Economic Development Services project to help small towns attract and retain businesses and keep their village center areas vital. The COG also worked with the NWCT Economic Development Corporation and the NWCT Chamber of Commerce, on an action plan to implement the region's Comprehensive Economic Development Strategy and to gain formal State and Federal Economic Development District designation for our 21-town region to open it to additional funding possibilities.

The COG board consists of the Mayors and First Selectmen from the 21 member towns. The group meets on a monthly basis to discuss issues of municipal concern, oversee existing COG programs, and explore new opportunities for regional cooperation to enhance local government efficiency. A variety of issues of regional significance were discussed at the monthly meetings of the COG this year including maintaining local roads, municipal grants for supporting agriculture, municipal waste oil disposal, and regional health insurance collaboration. Guest speakers included the State Comptroller, Commissioner of Economic Development, and Secretary of State. In addition to the COG's regular monthly meetings, a special meeting of the COG was held to discuss legislative priorities with local legislators.

The COG also coordinates a number of popular regional service delivery programs including household hazardous waste collection days, a prescription assistance program, a fuel bank program, the Northwest Hills Public Works Equipment Cooperative, and the region's cooperative purchasing program. The COG also provides assistance to a number of organizations in the region including the Regional Housing Council, Northwest Hills Road Supervisors Association, Public Safety Task Force, Recycling Advisory Committee, Housatonic River Commission, and Torrington Facade Improvement Program Committee. In addition, the COG hosts a quarterly "5th Thursday" forum for area Planning and Zoning Commission members to meet and discuss items of mutual interest, hear guest speakers, and provide input on regional plans.

COG member towns include Barkhamsted, Burlington, Canaan (Falls Village), Colebrook, Cornwall, Goshen, Hartland, Harwinton, Kent, Litchfield, Morris, New Hartford, Norfolk, North Canaan, Roxbury, Salisbury, Sharon, Torrington, Warren, Washington, and Winchester.

Respectfully submitted,
Rick Lynn, AICP
Executive Director



BEARDSLEY & MEMORIAL LIBRARY

Serving the Towns of Barkhamsted, Colebrook and Winchester

BEARDSLEY & MEMORIAL LIBRARY BOARD OF TRUSTEES

Louise Van Alstyne, President, Winchester
Robert Geiger, Vice President, Barkhamsted
Anne Dodge, Treasurer, Barkhamsted
Jeannine Frink, Secretary, Colebrook
Heather Cappabianca, Winchester
Curtis K. Case, Barkhamsted
Alan Colavecchio, Winchester
Deborah Kane, Winchester
Richard Lavieri, Winchester
Barbara Millar, Colebrook
Barbara McQueen, Barkhamsted

Karin Taylor, Library Services Director
Christine Moscarillo, Business Manager

ANNUAL STATISTICAL REPORT

2014-2015

The Library's Mission

To enrich the lives of our patrons
by promoting literacy,
lifelong learning,
and cultural enhancement
to all generations of our
diverse community.

40 Munro Place
Winsted, Connecticut 06098
Phone: 860.379.6043
FAX: 860.379.3621
www.beardsleyandmemorial.org



BEARDSLEY & MEMORIAL LIBRARY

Serving the Towns of Barkhamsted, Colebrook and Winchester

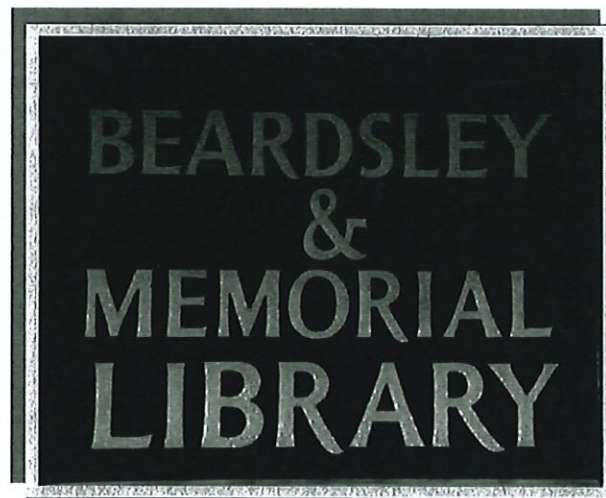
Contents

A Letter from the Library Services Director.....3

Statistical Highlights.....4

Programs and Services.....5

Our Mission in Action.....6





BEARDSLEY & MEMORIAL LIBRARY

Serving the Towns of Barkhamsted, Colebrook and Winchester

A Letter from the Library Services Director

It's been an exciting year here at the Beardsley & Memorial Library as we continue to meet the needs of our constituency. The library is a trusted institution at the heart of the community, and we are honored to serve as the public library for the Towns of Barkhamsted, Colebrook and Winchester.

Looking back on our accomplishments over the past year, I'd like to thank our many generous supporters, including individuals, foundations, corporations, and all three towns we serve. I would also like to acknowledge the faithful leadership of our Board of Trustees, many of whom have served the library for over twenty years. I thank our Friends of the Library, who just completed their highest fundraising year since 2007. This year, among other things, the Friends made it possible to equip the Genealogy & Local History Room with new built-in shelving, allowing the collection to be more accessible for researchers. Perhaps the most valuable resource at our library is the staff. This group of dedicated professionals are truly what brings people through our doors each day. Their helpful, friendly and enthusiastic attitudes make our library a welcoming place for all.

I'm always grateful for the tremendous support of the PEOPLE who make what we do at Beardsley possible. I hope you'll continue to demonstrate your confidence in and loyalty to the Library as we strive to expand opportunities for all generations of our diverse community.

Sincerely,

Karin Taylor



The Friends of the Library Soiree Fundraiser

*Pictured from left to right: Business
Manager Christine Moscarillo, Library
Services Director Karin Taylor, and
Young Adult Library Specialist Talisha
Blackburn*



BEARDSLEY & MEMORIAL LIBRARY


Serving the Towns of Barkhamsted, Colebrook and Winchester

Statistical Highlights

Annual Circulation
51,680

Registered Borrowers
8,346

Program Attendance
 Adult: 1,233
 Children's: 2,269
 Young Adult: 110
 Public Sponsored: 1,254




Library Visits
22,301

New Library Cards
648

Total program attendance up 48% in 2015!

Annual Public Service Hours
1,976



BEARDSLEY & MEMORIAL LIBRARY

Serving the Towns of Barkhamsted, Colebrook and Winchester

Programs and Services

During FY 2015, the library had 329 educational and enrichment programs. All library programs are open to the public and free of charge. Programs are partially made possible by donations and an annual grant from the Draper Foundation Fund. Some of the most popular programs were:

Cultural Heritage Day, Crime Scene Investigation Workshop, Glass Windchime making, Burger Bash with Chef Ray, Bonnets to Bellbottoms; A History of Fashion presented by the CT Historical Society, the Airborne Jugglers, Paint Party Night, Cat Behavior with Dr. Sandefer, Stone Wall Building demo, a Minion Party, Take Your Child to the Library Day and many more!



Access to computers and electronic resources is one of the most important services the library offers to the community. In FY 2015:

- 4,067 public access computer sessions were logged.
- 2,107 eBooks circulated.
- 581 downloadable audiobooks were checked out.
- 7,227 users accessed the library's new website.

Our Genealogy & Local History Collection and Research Assistance is a unique service offered by the library. This year over 100 researchers from around the U.S. accessed those services and our one-of-a-kind collection.





BEARDSLEY & MEMORIAL LIBRARY

Serving the Towns of Barkhamsted, Colebrook and Winchester

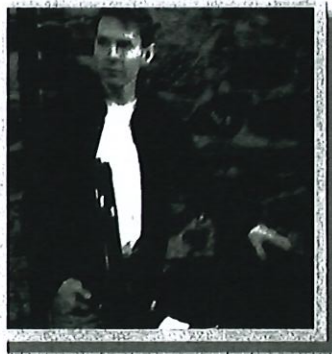
Our Mission in Action

Literacy

Collaboration with local schools is a centerpiece of promoting literacy at the library. This year our children and youth specialists coordinated programs with the library media specialists from the Winchester Schools, including an incentive to have children visit Beardsley for new library cards. Over 50 children registered for new cards. Mrs. Parent, (pictured right), also took story time on the road once a month with visits to the Colebrook School kindergarteners.



Lifelong Learning



The library's Tech Savvy Seniors program has offered one-on-one and small group classes for older adults interested in improving their tech skills. Classes were taught by both high school and NCCC volunteers and with the help of a grant from Civic Family Services. After several months of one-on-one classes in which people learned such things as how to use their own tablets and devices, and how to keep in touch with family through social media, a small group class was set up to address basic computer skills. In the photo to the left, class instructor Matt King gets ready for a group session in the community room at the library.

Cultural Enhancement

"Laurel City Celebrates" was a series of collaborative programs with Northwestern Connecticut Community College highlighting the importance of our community's industrial past and exploring the possibilities for the future. In the photo to the right, local business leaders, educators, and community members gathered at the library to discuss the future of manufacturing in Winsted. Laurel City Celebrates was made possible by a grant from The Community Foundation of Northwest Connecticut through the Robert Carr Fund. Other cultural programs provided through the grant included a photo exhibit of the DeMars images of Winsted, two concerts on the Town Green, and a series of craft and activity programs for families.

Laurel City celebrates



King, King & Associates

*Certified Public Accountants
Serving Businesses, Individuals, Nonprofits and Governments*

Member of
American Institute of
Certified Public Accountants

Connecticut Society of
Certified Public Accountants

Telephone: (860) 379-0215

Fax: (860) 738-7555

www.kingcpas.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance of
Town of Colebrook, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Colebrook, CT, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Colebrook, CT's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Colebrook, CT, as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Town of Colebrook, CT's 2013 financial statements, and our report dated January 20, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements of the governmental activities, each major fund, and the aggregate remaining fund information from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress on pages 4-10 and 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Colebrook, CT's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and supplemental schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the Connecticut State Single Audit Act and is not a required part of the financial statements.

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

The introductory section and supplemental schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2014, on our consideration of the Town of Colebrook, CT's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Colebrook, CT's internal control over financial reporting and compliance.

King, King & Associates

King, King & Associates, CPAs
Winsted, Connecticut
January 23, 2015

TOWN OF COLEBROOK
Management's Discussion and Analysis
June 30, 2014

As management of the Town of Colebrook, CT, we offer readers of the Town of Colebrook, CT's financial statements this narrative overview and analysis of the financial activities of the Town of Colebrook, CT for the fiscal year ended June 30, 2014.

Financial Highlights

- The assets of the Town of Colebrook, CT exceeded its liabilities at the close of the most recent fiscal year by \$9,014,009 (net position). Of this amount, \$1,483,992 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The Capital Projects, Cemetery, Education Grants, and Historical Preservation funds had Restricted Net Position that amounted to \$105,116. The remainder of the government's net position is invested in capital assets.
- As of the close of the current fiscal year, the Town of Colebrook, CT's governmental funds reported combined ending fund balances of \$1,574,922, an increase of \$227,394 in comparison with the prior year and attributable to increased property tax collection rates and expense related to education, refuse disposal and general government being less than anticipated. Of this amount, \$1,376,497 is available for spending at the government's discretion (unassigned fund balance), and \$0 has been assigned for subsequent year's appropriations.
- At the end of the current fiscal year, the fund balance for the General Fund was \$1,377,356, or 25% percent of total General Fund expenditures.

Overview of the Financial Statements

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Colebrook, 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 Colebrook, CT's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Colebrook, 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 result in future cash inflows (revenues) and outflows (expenditures.)

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

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

TOWN OF COLEBROOK
Management's Discussion and Analysis
June 30, 2014

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 Colebrook, 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 Colebrook, CT can be divided into two categories: governmental funds and fiduciary funds.

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

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

The Town of Colebrook, CT maintains eight (8) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund. The town also reports the Capital Improvement Fund as a major fund.

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

The basic governmental fund financial statements can be found on pages 13-16 of 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 Colebrook, CT's own programs.

The basic fiduciary fund financial statements can be found on pages 17-18 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 19-33 of this report.

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 Colebrook, CT, assets exceeded liabilities by \$9,014,009 at the close of the most recent fiscal year.

TOWN OF COLEBROOK
Management's Discussion and Analysis
June 30, 2014

Major expense factors include:

- Higher fuel costs and unanticipated repairs to aging trucks, equipment, and Town buildings resulted in increased expense in these areas.
- Road maintenance expenses were higher than estimated due to increased winter maintenance.

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the Town of Colebrook, 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 Colebrook, 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 Colebrook, CT's governmental funds reported combined ending fund balances of \$1,574,922, an increase of \$227,394 in comparison with the prior year. Eighty-seven (87%) of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

The General Fund is the chief operating fund of the Town of Colebrook, CT. At the end of the current fiscal year, total fund balance of the General Fund was \$1,377,356 of which \$0 was assigned for subsequent year's appropriations. This represents an increase of \$168,239, primarily due to higher than anticipated Property tax and Town Operations revenues.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents twenty-five percent (25%) of total General Fund expenditures.

General Fund Budgetary Highlights

- Property tax revenue collections were greater than anticipated.
- Total spending on education was 1.7% less than budgeted; the Colebrook Consolidated School ended the year with a 3.2% budget surplus.
- Revenues from Town Operations increased 27% from budget (and 70% from the prior fiscal year).

Capital Projects Fund Highlights

- The annual appropriation for the Capital Projects Fund was set at \$400,000, a \$100,000 increase from the previous year.
- Grant revenue totaled \$409,018, of which 59% was related to the Sandy Brook Bridge project.

Other Fund Highlights

- The Post Office Fund showed a \$5,549 profit this year.
- Collection of dog license and other fees associated with the Town's Dog Fund were not enough to offset the Fund's expenses.

Capital Asset and Debt Administration

Capital assets. The Town of Colebrook, CT's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$7,924,901 (net of accumulated depreciation and related

TOWN OF COLEBROOK
 Management's Discussion and Analysis
 June 30, 2014

debt). This investment in capital assets includes land and infrastructure, buildings, vehicles, machinery and equipment, and construction in progress.

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

- Dump Truck Purchase - \$162,240
- Colebrook School Asbestos Abatement - \$194,437
- Campbell Road Bridge - \$80,355
- Sandy Brook Bridge - \$68,464

	<u>2014</u>	<u>2013</u>
Land and Infrastructure	\$ 3,969,923	\$ 1,957,559
Construction in Progress	172,993	2,145,090
Buildings and Improvements	3,065,970	2,987,641
Furniture and Fixtures	1,745	2,955
Vehicles	607,736	489,301
Machinery and Equipment	106,534	118,256
Total	<u>\$ 7,924,901</u>	<u>\$ 7,700,802</u>

Additional information on the Town of Colebrook, CT's capital assets can be found in Note 4 on pages 27-28 of this report.

Long-term debt. The Town of Colebrook, CT has the following obligations.

	<u>2014</u>	<u>2013</u>
Notes Payable	\$ 500,000	\$ 550,000
Early Retirement Incentive	7,000	21,972
CVFD Tax Abatement	150,389	150,389
Total	<u>\$ 657,389</u>	<u>\$ 722,361</u>

Additional information on the Town of Colebrook, CT's long-term debt can be found in Note 7 on page 31 of this report.

Economic Factors and Next Year's Budgets and Rates

These factors were considered in preparing the Town of Colebrook, CT's budget for the 2014-2015 fiscal year.

- Unforeseen changes in State and Federal funding levels could impact decisions related to major capital projects, including bridge replacements, road repairs, and future maintenance and improvements to the Colebrook Consolidated School.
- Special education cost increases cannot be predicted.
- Unpredictable swings in energy prices will impact Town utility, fuel, road material, and maintenance budgets. Major winter storms or other unusual weather events cannot be predicted and can significantly affect budgets.

Request for Information

This financial report is designed to provide a general overview of the Town of Colebrook, 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 Office, Town of Colebrook, P.O. Box 5, Colebrook 06021.

TOWN OF COLEBROOK

Statement of Net Position

June 30, 2014

	Governmental Activities
Assets	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 1,700,886
State and Federal Grants Receivable	81,390
Taxes Receivable	140,468
Interest Receivable	72,983
Other Receivables	-
Other Current Assets	1,208
Total Current Assets	<u>1,996,935</u>
<i>Noncurrent Assets:</i>	
Capital Assets:	
Nondepreciable	513,076
Depreciable Buildings and Equipment, net	7,411,825
Total Assets	<u>\$ 9,921,836</u>
Deferred Outflows of Resources	<u>-</u>
Liabilities	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 16,761
Accrued Payroll	14,580
Refundable Advances	205,321
Due to Others	12,083
Due to State of Connecticut	1,693
Total Current Liabilities	<u>250,438</u>
<i>Noncurrent Liabilities</i>	
Due within One Year	57,000
Due in More than One Year	600,389
Total Noncurrent Liabilities	<u>657,389</u>
Total Liabilities	<u>907,827</u>
Deferred Inflows of Resources	<u>-</u>
Net Position	
Net Investment in Capital Assets	7,424,901
Restricted	105,116
Unrestricted	1,483,992
Total Net Position	<u>\$ 9,014,009</u>

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

Net (expense)/revenue and
changes in net position

Primary Government
Governmental Activities

Functions/Programs	Program Revenues			Capital Grants and Contributions
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental Activities				
General Government	\$ 635,467	\$ 48,929	\$ 4,000	\$ 2,000
Public Safety	157,373	2,742	-	14,610
Highways	898,952	741	220,327	119,252
Sanitation	198,283	-	-	-
Health and Welfare	79,104	120	5,750	-
Education	3,887,177	24,640	741,172	77,603
Other	45,582	-	-	-
Total Governmental Activities	5,901,938	77,172	971,249	213,465
Total Primary Government	\$ 5,901,938	\$ 77,172	\$ 971,249	\$ 213,465

General Revenues:

Property Taxes Levied for General Purposes	5,037,434
Unrestricted Investment Income	1,211
Grants and Contributions Not Restricted to Specific Purpose	49,204
Other Income	37,121
Total General Revenues	5,124,970
Change in Net Position	484,918
Net Position - Beginning	8,529,091
Net Position - Ending	\$ 9,014,009

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

TOWN OF COLEBROOK
 Balance Sheet
 Governmental Funds
 June 30, 2014
 (With Comparative Totals for June 30, 2013)

Assets	General	Capital	Nonmajor	Total Governmental Funds	
	Fund	Projects Fund		Funds	2014
Cash and Cash Equivalents	\$ 1,483,944	\$ 96,317	\$ 120,625	\$ 1,700,886	\$ 1,637,105
Taxes Receivable	140,468	-	-	140,468	163,589
State and Federal Grants Receivable	-	78,943	2,447	81,390	300,229
Other Receivables	-	-	-	-	3,141
Interfund Receivables	1,511	104,284	2,696	108,491	5,513
Inventory	-	-	1,208	1,208	673
Total Assets	<u>\$ 1,625,923</u>	<u>\$ 279,544</u>	<u>\$ 126,976</u>	<u>\$ 2,032,443</u>	<u>\$ 2,110,250</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts Payable	\$ 16,332	\$ 429	\$ -	\$ 16,761	\$ 399,412
Accrued Payroll	14,580	-	-	14,580	15,624
Due to State of Connecticut	-	-	1,693	1,693	2,539
Refundable Advances	-	205,303	18	205,321	205,518
Due to Others	12,083	-	-	12,083	10,556
Interfund Payables	106,980	220	1,291	108,491	5,513
Total Liabilities	<u>149,975</u>	<u>205,952</u>	<u>3,002</u>	<u>358,929</u>	<u>639,162</u>
Deferred Inflows of Resources:					
Deferred Revenue-Taxes	98,592	-	-	98,592	123,560
Total Deferred Inflows of Resources	<u>98,592</u>	<u>-</u>	<u>-</u>	<u>98,592</u>	<u>123,560</u>
Fund Balance:					
Nonspendable:					
Cafeteria Inventory	-	-	1,208	1,208	673
Restricted For:					
Cemetery	-	-	92,891	92,891	92,762
Education Grants	-	-	466	466	747
Historical Document Preservation	-	-	2,696	2,696	2,202
Committed To:					
Capital Projects	-	73,592	-	73,592	18,824
Post Office	-	-	23,932	23,932	18,383
School Cafeteria	-	-	3,640	3,640	5,132
Unassigned	1,377,356	-	(859)	1,376,497	1,208,805
Total Fund Balance	<u>1,377,356</u>	<u>73,592</u>	<u>123,974</u>	<u>1,574,922</u>	<u>1,347,528</u>
Total Liabilities and Fund Balance	<u>\$ 1,625,923</u>	<u>\$ 279,544</u>	<u>\$ 126,976</u>	<u>\$ 2,032,443</u>	<u>\$ 2,110,250</u>

Amounts reported for *governmental activities* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	7,924,901
Deferred revenue for property taxes are reported in the funds but accrued as revenue in the government-wide statements and added to net position.	98,592
The governmental funds Balance Sheet includes revenues that will only be available to pay current period liabilities. Adjustments are necessary to accrue receivables of all earned revenues.	72,983
Some long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(657,389)
Net position of governmental activities	<u>\$ 9,014,009</u>

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

TOWN OF COLEBROOK

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended June 30, 2014
(With Comparative Totals for June 30, 2013)

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds	
				2014	2013
Revenues:					
Property Taxes	\$5,068,981	\$ -	\$ -	\$ 5,068,981	\$5,066,611
Investment Income	1,133	69	9	1,211	1,747
Fees and Charges	48,275	741	28,156	77,172	102,195
Contributions	-	14,610	-	14,610	20
Intergovernmental Revenue	979,543	198,855	40,910	1,219,308	2,272,037
Other	6,852	20,360	9,909	37,121	33,991
Total Revenues	<u>6,104,784</u>	<u>234,635</u>	<u>78,984</u>	<u>6,418,403</u>	<u>7,476,601</u>
Expenditures:					
Current					
General Government	539,077	-	8,272	547,349	559,606
Public Safety	99,173	-	3,289	102,462	71,760
Highways	727,626	-	-	727,626	756,212
Senior Center	40,240	-	-	40,240	38,080
Health and Welfare	31,555	-	-	31,555	31,389
Miscellaneous	45,582	-	-	45,582	53,482
Sanitation	198,283	-	-	198,283	196,569
Education	3,781,634	-	63,036	3,844,670	3,786,352
Debt Service	73,375	-	-	73,375	94,350
Capital Outlay	-	579,867	-	579,867	1,818,503
Total Expenditures	<u>5,536,545</u>	<u>579,867</u>	<u>74,597</u>	<u>6,191,009</u>	<u>7,406,303</u>
Excess/(Deficiency) of Revenues Over Expenditures	568,239	(345,232)	4,387	227,394	70,298
Other Financing Sources/(Uses):					
Operating Transfers Out	(400,000)	-	-	(400,000)	(300,000)
Operating Transfers In	-	400,000	-	400,000	300,000
Total Other Financing Sources/(Uses)	<u>(400,000)</u>	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	168,239	54,768	4,387	227,394	70,298
Fund Balance at Beginning of Year	<u>1,209,117</u>	<u>18,824</u>	<u>119,587</u>	<u>1,347,528</u>	<u>1,277,230</u>
Fund Balance End of Year	<u>\$ 1,377,356</u>	<u>\$ 73,592</u>	<u>\$ 123,974</u>	<u>\$ 1,574,922</u>	<u>\$ 1,347,528</u>

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

TOWN OF COLEBROOK

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, 2014

Net Change in Fund Balances - Total Governmental Funds \$ 227,394

**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.

Capital expenditures 563,440
Depreciation expense (339,341)

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

Deferred tax revenue (24,968)

Bond 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.

Early Retirement Incentive 14,972
CVFD Tax Abatement Obligation -
Notes Payable principal payments 50,000

Some receivables provide current financial resources to governmental funds,
but reduce grant receivables in the Statement of Net Position. These are
the amounts of current economic resources reclassified as a balance
sheet adjustment.

Net change in interest receivable (6,579)

Change in net position of governmental activities. \$ 484,918

TOWN OF COLEBROOK
 Budgetary Comparison Statement
 General Fund
 For the Year Ended June 30, 2014

	Original <u>Budget</u>	Amended <u>Budget</u>	<u>Actual</u>	Over/ <u>(Under)</u>
Revenues:				
Taxes	\$ 4,961,513	\$ 4,961,513	\$ 5,068,981	\$ 107,468
Investment Income	2,000	2,000	1,133	(867)
Fees and Charges	40,000	40,000	46,076	6,076
Intergovernmental Revenue	759,490	759,490	801,761	42,271
Other	10,000	10,000	6,852	(3,148)
Appropriated from Surplus	-	20,000	-	(20,000)
Total Revenues	<u>5,773,003</u>	<u>5,793,003</u>	<u>5,924,803</u>	<u>131,800</u>
Expenditures:				
General Government	510,570	510,570	485,683	(24,887)
Public Safety	70,390	70,390	97,673	27,283
Highways	682,027	682,027	727,626	45,599
Town Hall	50,000	50,000	53,394	3,394
Senior Center	51,174	51,174	40,240	(10,934)
Health and Welfare	31,581	31,581	31,555	(26)
Miscellaneous	47,028	47,028	39,664	(7,364)
Refuse Disposal	208,000	208,000	198,283	(9,717)
Debt Service	73,375	73,375	73,375	-
Other Expenditures	-	-	7,418	7,418
Education	3,626,286	3,646,286	3,584,015	(62,271)
Capital Outlay	400,000	400,000	400,000	-
Total Expenditures	<u>5,750,431</u>	<u>5,770,431</u>	<u>5,738,926</u>	<u>(31,505)</u>
Excess of Revenues over Expenditures	<u>\$ 22,572</u>	<u>\$ 22,572</u>	<u>\$ 185,877</u>	<u>\$ 163,305</u>

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

TOWN OF COLEBROOK
 Statements of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2014
 (With Comparative Totals for June 30, 2013)

	Pension Trust Fund	Agency Funds	Totals	
			<u>2014</u>	<u>2013</u>
Assets				
Cash and Cash Equivalents	\$ -	\$ 51,096	\$ 51,096	\$ 57,922
Investments	<u>151,098</u>	<u>-</u>	<u>151,098</u>	<u>182,943</u>
Total Assets	<u>\$ 151,098</u>	<u>\$ 51,096</u>	<u>\$ 202,194</u>	<u>\$ 240,865</u>
Deferred Outflows of Resources				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities				
Due to Beneficiaries	\$ -	\$ 49,502	\$ 49,502	\$ 56,941
Due to Others	<u>-</u>	<u>1,594</u>	<u>1,594</u>	<u>981</u>
Total Liabilities	<u>-</u>	<u>51,096</u>	<u>51,096</u>	<u>57,922</u>
Deferred Inflows of Resources				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Restricted for Pension Benefits	<u>151,098</u>	<u>-</u>	<u>151,098</u>	<u>182,943</u>
Total Net Position	<u>\$ 151,098</u>	<u>\$ -</u>	<u>\$ 151,098</u>	<u>\$ 182,943</u>

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

TOWN OF COLEBROOK
 Statements of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the Years Ended June 30, 2014 and 2013

	Pension Trust Fund	
Additions	<u>2014</u>	<u>2013</u>
Contributions	\$ 12,833	\$ 14,330
Investment Income	<u>38,127</u>	<u>23,770</u>
Total Additions	<u>50,960</u>	<u>38,100</u>
Deductions		
General Government	<u>82,805</u>	<u>31,557</u>
Total Deductions	<u>82,805</u>	<u>31,557</u>
Change in Net Position	(31,845)	6,543
Net Position - Beginning	<u>182,943</u>	<u>176,400</u>
Net Position - Ending	<u><u>\$ 151,098</u></u>	<u><u>\$ 182,943</u></u>

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

TOWN OF COLEBROOK
Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Colebrook, CT is a municipal corporation organized under state statutes. The form of government includes an elected Board of Selectmen and an elected Board of Finance. The Town provides the following services: general government services, public safety, public works, public health and welfare, refuse removal, and recreation. The Colebrook Consolidated School, whose operations are presented in the Town's financial statements, provides primary education services. Secondary education services are provided by Regional School District #7, of which the Towns of Colebrook, New Hartford, Barkhamsted, and Norfolk are members. Town appropriations to the school district are determined by a separate taxpayer approved budget and the percentage of Colebrook residents attending the District's schools.

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

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

The Town's 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 Colebrook, 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 Colebrook, CT. Based upon the foregoing criteria, the following organizations are not considered part of the Town and are excluded from the accompanying financial statements.

Regional School District No. 7 – *The School District provides secondary educational services for the Towns of Colebrook, New Hartford, Barkhamsted, and Norfolk, Connecticut. The Town pays tuition and other fees to the school district on a per pupil basis. The financial statements include the operations of the local school system for primary and intermediate grades, which are controlled by the Town.*

Colebrook Center Fire and Forge Fire Departments – *Certain activities and allocations are included in the financial statements, except for the fundraising activities of the department, which are excluded.*

TOWN OF COLEBROOK
Notes to the Financial Statements

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 funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statements presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Their revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Exceptions to this general rule include: voluntary non-exchange transactions when all eligibility requirements have been met. Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include: compensated absences, debt service, and claims and judgments that are recorded only when payment is due.

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

The government reports the following major governmental funds:

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

The *Capital Projects Fund* is used to account for previously approved capital acquisition and improvements. This is a perpetual fund financed through annual budget appropriations.

Additionally, the government reports the following fund types:

Fiduciary Fund Types

Agency Funds account for monies held as a custodian for outside groups and agencies.

TOWN OF COLEBROOK
Notes to the Financial Statements

The *Pension Fund* reports amounts contributed by employees and the Town to the defined contribution plan.

Amounts reported as *program revenues* include 1) charges to members and residents for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions.

Estimates

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

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

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

Receivables and Payables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Town has established an allowance for estimated uncollectible property taxes in the amount of \$5,000. The Town's property taxes are levied each July 1, on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Taxes are due and payable in two installments on July 1 and January 1 for real property and personal property and on July 1 for motor vehicles. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through September 30 and are payable in one installment due January 1. The Town files liens against property if taxes, which are due July 1, remain unpaid on the following February 1.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year-end. Delinquent taxes are considered fully collectible.

Investments – In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Other trust funds may also invest in stocks, bonds, or other securities selected by the Trustee. The pension fund participants invest in various mutual funds provided by the Trustee.

Inventories – Inventories in the School Cafeteria Fund are reported at cost.

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

TOWN OF COLEBROOK
Notes to the Financial Statements

Capital Assets – Capital assets, which include equipment, fixtures, and other long-lived assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$2,500 (\$5,000 for buildings, infrastructure and land) and have an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets 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 & Improvements	20-50
Vehicles	5-10
Equipment	5-10
Infrastructure	20

Long-term obligations – In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

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

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

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations or 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 COLEBROOK
Notes to the Financial Statements

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

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

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

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

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information and Accounting

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

- A proposed operating budget is submitted for the fiscal year.
- Public hearings are conducted in the Town to obtain taxpayer comments.
- The budget is legally enacted through passage at a Town meeting. The operating budget includes proposed expenditures and the means of financing them.
- The Board of Finance is authorized to transfer budgeted amounts between departments within any fund; however, any additional appropriations exceeding \$20,000 over the total budget must be approved at a Town meeting.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.

TOWN OF COLEBROOK
Notes to the Financial Statements

- All noncontinuing appropriations lapse at year-end. Capital appropriations do not lapse until completion of the applicable projects.
- Encumbrance accounting is not used.

Budgetary/GAAP Reconciliation

The Town of Colebrook, CT prepares its annual budget on a basis (budget basis), which differs in some respects from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the Town's method (budget basis) in the *Budgetary Comparison Schedule - General Fund* to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis are that governmental grants and education expenditures for the Teacher's Retirement System are only recorded on GAAP basis and certain interfund transfers are recorded as expenditures (budget) rather than operating transfers (GAAP). The budget as presented has been amended by the Board of Finance throughout the year.

Adjustments necessary to reconcile the budget basis to GAAP basis are presented below:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources/(Uses)</u>	<u>Net Change</u>
Balance, Budgetary Basis	\$ 5,924,803	\$ 5,738,926	\$ -	\$ 185,877
Revenue Adjustments for:				
Fees & Charges	(3,477)	-	-	(3,477)
CT Teacher's Retirement	191,886	-	-	191,886
Other Revenues	(8,428)	-	-	(8,428)
Expenditure Adjustments for:				
Transfers Out	-	(400,000)	(400,000)	-
CT Teacher's Retirement	-	191,886	-	(191,886)
Other Expenditures	-	5,733	-	(5,733)
Balance, GAAP Basis	<u>\$ 6,104,784</u>	<u>\$ 5,536,545</u>	<u>\$ (400,000)</u>	<u>\$ 168,239</u>

Excess of Expenditures Over Appropriations

For the year ended June 30, 2014, expenditures exceeded appropriations in the Public Safety Department by \$45,599, the Town Hall Department by \$3,394, and the Other Expenditures Department by \$7,418. The amounts were funded through cost savings in other departments.

Risk Management

The Town is exposed to various risks of loss relating to liability, theft or impairment of assets, errors or omissions, injuries to employees and natural disasters. Commercial liability and property insurance coverage is purchased to protect against losses from these risks. Additionally, employee health coverage is purchased from a commercial carrier. The Town does not maintain a self-insurance fund. There was no significant reduction coverage from the prior year.

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

TOWN OF COLEBROOK
Notes to the Financial Statements

and has not been notified that any assessments are forthcoming. CIRMA publishes its own financial report, which can be obtained from: CIRMA, 900 Chapel Street, New Haven, CT.

NOTE 3 – CASH EQUIVALENTS, INVESTMENTS, AND DEFERRED REVENUE

Cash and Cash Equivalents

The deposits of public funds are controlled by the Connecticut General Statutes. The following is a summary of cash and cash equivalents at June 30, 2014 and 2013:

	Governmental	Fiduciary	Totals	
	Funds	Funds	2014	2013
Demand Accounts	\$ 299,526	\$ 30,238	\$ 329,764	\$ 519,649
Short Term Investment Fund	992,054	-	992,054	1,035,245
MBIA CLASS Fund	<u>409,306</u>	<u>20,858</u>	<u>430,164</u>	<u>140,133</u>
Total Cash and Cash Equivalents	<u>\$ 1,700,886</u>	<u>\$ 51,096</u>	<u>\$ 1,751,982</u>	<u>\$ 1,695,027</u>

Detailed Cash Notes on all Funds

Deposits and Investments

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. At year-end, the town's carrying amount of deposits was \$329,764 and the bank balance was \$361,909. Of the bank balance, Federal Depository Insurance Corporation covered \$250,000. As of June 30, 2014, \$111,909 of the Town's demand bank balance of \$361,909 was exposed to custodial credit risk as follows:

	<u>Demand Accounts</u>
Uninsured and uncollateralized	\$ 75,718
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	<u>36,191</u>
Total	<u>\$ 111,909</u>

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

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

Custodial Credit Risk. This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town's money market and state-administered pooled investments are not subject to custodial credit risk, as the Town's investment is not directly exposed to custodial credit risk. Pension fund investments consists of annuities and mutual funds and are not exposed to custodial credit risk because they are direct contractual investments and are not securities.

	<u>2014</u>	<u>2013</u>
Mutual Funds	\$ 151,098	\$ 182,943
Total	<u>\$ 151,098</u>	<u>\$ 182,943</u>

TOWN OF COLEBROOK
Notes to the Financial Statements

Deferred Revenue

Governmental funds report *deferred revenue* in connection with receivables for revenues 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 earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>2014</u>	<u>2013</u>
Deferred Property Taxes	\$98,592	\$123,560
Deferred Grant Revenue	\$205,321	\$205,518

NOTE 4 – CAPITAL ASSETS

The following is a summary of net changes in fixed assets for the fiscal year ending June 30, 2014:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 340,083	\$ -	\$ -	\$ 340,083
Construction in Progress	<u>2,145,090</u>	<u>90,096</u>	<u>2,062,193</u>	<u>172,993</u>
Total capital assets, not being depreciated	<u>2,485,173</u>	<u>90,096</u>	<u>2,062,193</u>	<u>513,076</u>
Capital assets, being depreciated:				
Buildings & Improvements	4,979,782	194,437	-	5,174,219
Infrastructure	2,010,756	2,130,657	-	4,141,413
Furniture & Fixtures	8,468	-	-	8,468
Vehicles	1,393,295	192,140	100,318	1,485,117
Machinery and Equipment	<u>481,995</u>	<u>18,303</u>	-	<u>500,298</u>
Total capital assets being depreciated	<u>8,874,296</u>	<u>2,535,537</u>	<u>100,318</u>	<u>11,309,515</u>
Less accumulated depreciation for:				
Buildings & Improvements	1,992,141	116,108	-	2,108,249
Infrastructure	393,280	118,293	-	511,573
Furniture & Fixtures	5,513	1,210	-	6,723
Vehicles	903,994	73,705	100,318	877,381
Machinery and Equipment	<u>363,739</u>	<u>30,025</u>	-	<u>393,764</u>
Total accumulated depreciation	<u>3,658,667</u>	<u>339,341</u>	<u>100,318</u>	<u>3,897,690</u>
Total capital assets, being depreciated, net	<u>5,215,629</u>	<u>2,196,196</u>	-	<u>7,411,825</u>
Governmental activities capital assets, net	<u>\$ 7,700,802</u>	<u>\$ 2,286,292</u>	<u>\$ 2,062,193</u>	<u>\$ 7,924,901</u>

TOWN OF COLEBROOK
Notes to the Financial Statements

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

Governmental Activities:	<u>2014</u>	<u>2013</u>
General Government	\$ 61,763	\$ 57,771
Highways	171,129	154,990
Public Safety	46,652	49,754
Health and Welfare	7,309	11,626
Education	<u>52,488</u>	<u>49,212</u>
Total Depreciation Expense	<u>\$ 339,341</u>	<u>\$ 323,353</u>

The Town has active construction projects as of June 30, 2014. The year-end total accumulated construction costs are:

Campbell Brook Bridge	\$ 163,252
School Well Project	<u>9,741</u>
	<u>\$ 172,993</u>

The remaining cost to complete the Campbell Brook Bridge is estimated to be \$1,035,000. The remaining cost to complete the School Well Project is \$71,074.

NOTE 5 – PENSION PLANS

Connecticut State Teacher's Retirement System

Certified teachers in the Town are eligible to participate in the State of Connecticut's Teacher's Retirement System, a multiple-employer, employer's noncontributory public employee's retirement system. A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. Members are required to contribute seven percent of their annual salary to the system as required by section 10-183b(7) C.G.S. The State contributes amounts based on actuarial estimates. The State's aggregate contribution to the plan for the fiscal year ended June 30, 2014 for all participating local governments was \$948,540,000.

The amount of the contribution allocable to the Town was estimated to be \$191,886, and has been recognized as a government grant and an education expenditure in the General Fund. For the year ended June 30, 2014, teachers for the Town of Colebrook, CT contributed \$56,117 to the plan. The Town does not contribute to the system nor does it have any legal obligation for benefits.

Town Employees

The Town adopted and administers a defined contribution pension plan (Town of Colebrook Employees Pension Plan) to provide benefits at retirement to employees of the Town. All full-time employees having attained age 21 are eligible to participate in the plan on the first of July nearest the completion of twenty-four months of service.

An eligible employee is one who has worked a minimum of 1,675 hours during the plan year, and who is actively employed as of the annual plan valuation date.

The Town is required to contribute an amount equal to 5% of annual covered payroll. A provision has been included to allow pre-tax employee contributions up to 100% of compensation, subject to IRS dollar limits of \$17,500 for 2013-2014. Any participant who is age 50 or older could be eligible for a "catch-up" contribution of \$5,500 in 2013-2014. Income accumulated tax-free until distribution from the plan.

TOWN OF COLEBROOK
Notes to the Financial Statements

Vesting percentages, based on years of services, are as follows:

<u>Years of Service</u>	<u>Vesting %</u>
Less than 3	0%
3 but less than 4	20%
4 but less than 5	40%
5 but less than 6	60%
6 but less than 7	80%
7 or more	100%

The Town's required 5% contribution was \$10,790. The Board of Education's required 5% contribution was \$2,043. There were \$82,805 in benefit payouts this year. There were no participant contributions for the year.

At June 30, 2014, membership in the Plan consisted of:

Current employees:	
Fully or partially vested	
Town	4
Board of Education	1
Nonvested	1
Terminated/Retired	
Town	1
Total	<u>7</u>

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.

Significant Accounting Policies

Basis of Accounting. Financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period that the contributions are due.

Method Used to Value Investments. Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS

Description

The Town has established and administers the Town of Colebrook Volunteer Fire Department Tax Abatement Program. The program provides a real estate and/or motor vehicle property tax abatement for eligible members and senior members for up to but not to exceed \$1,000 or amount of their property for the fiscal year immediately following the certification date. Active members must earn 60 service points in the calendar year preceding the start of the Town's next fiscal year. Senior members receive a "Post Employment" lifetime tax abatement benefit. To be eligible for senior member status, a member must: complete at least 25 years as an active member; turn age 60 or greater by December 31st during the preceding tax year of senior member tax abatement; be an active current member to be eligible for lifetime abatement; once an active member becomes a lifetime member, they do not have to continue to be an active member beyond the first eligibility year; own taxable or real property in Town of Colebrook, benefits will cease at anytime the participant does not own taxable or real property in Town of Colebrook. Benefits will cease at death and will not be

TOWN OF COLEBROOK
Notes to the Financial Statements

available to spouse. The Town is applying the requirements of GASB No.45 prospectively. The plan currently includes 60 active participants and 3 retired participants receiving the benefit.

Funding Policy

The contribution requirements are established and may be amended by the Town. The Town appropriates funds annually for the costs associated with this retirement benefit through the General Fund. The revenue loss for the tax abatement program is recognized on the budget basis as a reduction of property tax revenue. During the year the revenue loss totaled \$14,423.

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB (other post employment benefit) cost is calculated based on the vested other post employment benefits accumulated obligation and non-vested other post employment benefits accumulated obligation. The following table presents the components of the Town's unfunded OPEB projected obligation.

	<u>June 30, 2013</u>
Vested Other Post Employment Benefits Accumulated Obligation	
Active Participants	\$ 39,606
Retired and Vested Terminated Participants	24,619
Total	64,225
Non-Vested Other Post Employment Benefits Accumulated Obligation	86,164
Total Other Post Employment Benefits Accumulated Obligation	150,389
Effects of Estimated Future Pay Increases	-
Total Other Post Employment Benefits Projected Obligation	150,389
Market Value of Assets (including receivables)	-
Unfunded Other Post Employment Benefits Projected Obligation	\$ 150,389

The Town's vested OPEB accumulated obligation, the non-vested OPEB accumulated obligation, and the unfunded OPEB projected obligation for 2013 are as follows:

Valuation <u>Date</u>	Vested OPEB Accumulated <u>Obligation</u>	Non-Vested OPEB Accumulated <u>Obligation</u>	Unfunded OPEB Projected <u>Obligation</u>
7/1/2012	\$ 64,225	\$ 86,164	\$ 150,389
7/1/2009	27,614	66,251	93,865

The above information will be presented in a three-year chart as it becomes available.

The Town's Schedule of Employer Contributions is as follows:

Fiscal Year <u>Ending</u>	Annual Required Contribution (ARC)	Employer Contributions Paid	Percentage of ARC Paid
June 30, 2014	\$ 17,215	\$ -	0.00%
June 30, 2013	17,215	-	0.00%
June 30, 2012	11,762	-	0.00%

TOWN OF COLEBROOK
Notes to the Financial Statements

Funding Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$150,389. The Town's policy is to fund the benefits through a reduction of property tax revenue annually, resulting in an unfunded actuarial accrued liability (UAAL) of \$150,389.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In the June 30, 2013 actuarial valuation, the projected unit credit actuarial cost method was applied. The actuarial assumptions included a 5.0 percent discount rate. No assumption was made for rate of inflation. The amortization method is level annual amount. The UAAL is being amortized over a closed period of 27 years as of July 1, 2012. The asset valuation basis is market value. The valuation followed generally accepted actuarial methods and included tests as considered necessary to assure the accuracy of the results.

NOTE 7 – LONG-TERM OBLIGATIONS

Long-Term Obligation Activity

The Town has used long-term notes for the acquisition and construction of major capital facilities. The General Fund and Post Office Fund have historically been used to liquidate other long-term liabilities.

Early retirement incentives were accepted by two teachers in the 2011-2012 fiscal year. The offers consist of three years of payments totaling 56,000. The final payments will be made in the 2014-2015 fiscal year.

Changes in long-term obligations for the year ended June 30, 2014, are as follows:

	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities					
Notes Payable	4.25%-6.0%	\$ 550,000	\$ -	\$ 50,000	\$ 500,000
Early Retirement Incentive-BOE		21,972	-	14,972	7,000
CVFD Tax Abatement OPEB Obligation		150,389	-	-	150,389
Total		<u>\$ 722,361</u>	<u>\$ -</u>	<u>\$ 64,972</u>	<u>\$ 657,389</u>

Current Portion of Long-Term Debt

The following is a detailed listing of long-term obligations due within one year:

Notes Payable	\$ 50,000
Early Retirement Incentive-BOE	<u>7,000</u>
Total	<u>\$ 57,000</u>

Interest expense on general obligation bonds and notes was charged to functions/programs of the primary government as follows:

TOWN OF COLEBROOK
Notes to the Financial Statements

Governmental Activities:	<u>2014</u>	<u>2013</u>
General Government	\$ 23,375	\$ 26,012
Highway Dept.	-	183
Total Interest Expense	<u>\$ 23,375</u>	<u>\$ 26,195</u>

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2014 are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2015	50,000	21,250
2016	50,000	19,125
2017	50,000	17,000
2018	50,000	14,875
2019	50,000	12,750
2020-2024	<u>250,000</u>	<u>31,875</u>
Total	<u>\$ 500,000</u>	<u>\$ 116,875</u>

NOTE 8 – CONTINGENT LIABILITIES

Colebrook is a member of the Regional School District No. 7, along with the Towns of Barkhamsted, New Hartford, and Norfolk. Colebrook's scheduled payment to the School District is a pro rata share of 10.53%, which is based upon student enrollment. The Town's portion of the bond principal for Regional School District No. 7 is as follows:

	<u>Principal</u>
Bonds Outstanding	\$4,169,703
Town's Pro Rata %	<u>10.53%</u>
Town's Share	<u>\$ 439,070</u>

NOTE 9 – INTERFUND ACCOUNTS

At June 30, 2014, interfund balances were as follows:

<u>Due From:</u>	<u>Due To:</u>			<u>Totals</u>	
	<u>Nonmajor Funds</u>	<u>Capital Projects</u>	<u>General Fund</u>	<u>2014</u>	<u>2013</u>
General Fund	\$ 2,696	\$ 104,284	\$ -	\$ 106,980	\$ 4,222
Capital Projects	-	-	220	220	-
Nonmajor	-	-	1,291	1,291	1,291
Total	<u>\$ 2,696</u>	<u>\$ 104,284</u>	<u>\$ 1,511</u>	<u>\$ 108,491</u>	<u>\$ 5,513</u>

The amount due from the General Fund to Nonmajor funds represents funds held in the General fund for Historic Document Preservation.

The amount due from the General Fund to the Capital Projects Fund represents funds held in the General Fund for Capital Projects.

The amount due to the General Fund from Nonmajor Funds represents funds owed to the General Fund from the Dog Fund for expenses paid on behalf of the fund.

TOWN OF COLEBROOK
Notes to the Financial Statements

Interfund Transfers for the year are summarized below:

Transfers From <u>and Purpose</u>	General <u>Fund</u>	Capital	Nonmajor <u>Funds</u>	<u>Totals</u>	
		Projects <u>Fund</u>		<u>2014</u>	<u>2013</u>
General Fund					
<i>Budgeted Expenditure</i>	\$ -	\$ 400,000	\$ -	\$ 400,000	\$ 300,000
	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ 300,000</u>

Transfers are used to account for unrestricted revenues from the general fund used to finance various programs accounted for in other funds in accordance with budget authorizations.

NOTE 10 – OPERATING LEASES

In May 2011, the Board of Education signed a lease for two copiers. The lease requires 60 monthly payments of \$209. Total lease payments in the current fiscal year were \$2,514.

In September 2013, the Town of Colebrook signed a lease for two copiers. The lease requires 60 monthly payments of \$290. Total lease payments in the current fiscal year were \$2,900.

Future minimum lease payments under current agreements are as follows:

2015	\$ 5,994
2016	5,784
2017	3,480
2018	3,480
2019	580

NOTE 11 – FUND BALANCES

The following balances were committed at June 30:

	<u>2014</u>	<u>2013</u>
Capital Projects	\$ 73,592	\$ 18,824
Post Office Fund	23,932	18,383
School Cafeteria Fund	<u>3,640</u>	<u>5,132</u>
Total	<u>\$ 101,164</u>	<u>\$ 42,339</u>

The following funds had deficit fund balances at June 30:

Governmental Funds

Nonmajor Funds: Dog Fund	<u>\$ (859)</u>	<u>\$ (312)</u>
--------------------------	-----------------	-----------------

NOTE 12 – ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

The Town adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, during the current fiscal year. The GASB considers deferred outflows of resources and deferred inflows of resources to be distinct from assets and liabilities, and as a result of this statement now requires certain items previously reported as assets and liabilities to be reported as deferred inflows or outflows of resources. Prior to the implementation of GASB Statement No. 65, reporting standards required the Town to present certain items as assets and liabilities. Due to the adoption of GASB Statement No. 65, the Town is now reporting Deferred Taxes as a deferred outflow of resources.

TOWN OF COLEBROOK
Notes to the Financial Statements

The Town also adopted GASB Statement No. 67, *Financial Reporting for Pension Plans*, which had no significant effect on the Town's reporting of its defined contribution pension plan.

In the subsequent year, the Town will be required to adopt GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The most significant change in reporting for the Town's defined contribution plan will be the disclosure of employee forfeitures that occur in the trust account

Town of Colebrook
 Schedule of Funding Progress
 For the Year Ended June 30, 2014

TOWN OF COLEBROOK POST-EMPLOYMENT FIRE DEPARTMENT TAX ABATEMENT BENEFITS

Actuarial Valuation Date	(1) Actuarial Value of Assets Available For Benefits	(2) Actuarial Liability- Accrued	(3) Funded Ratio	(4) Unfunded Actuarial Liability	(5) Covered Payroll	(6) Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
<u>July</u>	<u>For Benefits</u>	<u>Cost Method</u>	<u>(1) / (2)</u>	<u>(2) - (1)</u>	<u>Payroll</u>	<u>(4) / (5)</u>
July 1, 2012	\$ -	\$ 150,389	0.0%	\$ 150,389	\$ -	N/A
July 1, 2009	-	93,865	0.0%	93,865	-	N/A

TOWN OF COLEBROOK

page 1 of 4

General Fund

Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
REVENUES				
Taxes:				
Property Taxes	\$ 4,961,513	\$ 4,961,513	\$ 5,036,033	\$ 74,520
Interest and Liens	-	-	32,948	32,948
Total Taxes	<u>4,961,513</u>	<u>4,961,513</u>	<u>5,068,981</u>	<u>107,468</u>
Intergovernmental Revenue:				
Senior Center Grants	-	-	5,750	5,750
Telephone Access Line Tax Share	5,600	5,600	5,676	76
Education Cost Sharing	535,319	535,319	507,229	(28,090)
School Transportation	-	-	3,336	3,336
Adult Education	311	311	311	-
State and Federal Property	-	-	25,513	25,513
Town Aid Roads	200,760	200,760	200,863	103
Pequot Funds	-	-	8,400	8,400
Elderly and Veterans Property Tax Relief	12,000	12,000	13,330	1,330
Manufacturing Transition Grant	-	-	8,319	8,319
Team Mentors	-	-	1,500	1,500
FEMA	-	-	19,464	19,464
Other Receipts	5,000	5,000	2,070	(2,930)
Misc. - Boats, Machinery, & Comm. MV	500	500	-	(500)
Total Intergovernmental Revenue	<u>759,490</u>	<u>759,490</u>	<u>801,761</u>	<u>42,271</u>
Other Revenues:				
Town Operations	40,000	40,000	46,076	6,076
Interest Income	2,000	2,000	1,133	(867)
Miscellaneous	10,000	10,000	6,852	(3,148)
Total Other Revenues	<u>52,000</u>	<u>52,000</u>	<u>54,061</u>	<u>2,061</u>
Total Revenues before other Financing Sources				
	<u>5,773,003</u>	<u>5,773,003</u>	<u>5,924,803</u>	<u>151,800</u>
Other Financing Sources:				
Fund Balance Designated to Finance Budget	-	20,000	-	(20,000)
Total Revenues	<u>\$ 5,773,003</u>	<u>\$ 5,793,003</u>	<u>\$ 5,924,803</u>	<u>\$ 131,800</u>

See accountant's report.

TOWN OF COLEBROOK

General Fund

Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
EXPENDITURES				
General Government:				
First Selectman	\$ 31,755	\$ 31,755	\$ 31,755	\$ -
2ND & 3RD Selectmen	1,300	1,300	1,198	(102)
COST	725	725	790	65
Selectmen's Expense	1,250	1,250	2,805	1,555
Probate Court	1,700	1,700	1,211	(489)
Elections	12,500	12,500	10,330	(2,170)
Board of Finance	800	800	600	(200)
Board of Assessors	22,109	22,109	21,087	(1,022)
Assessor's Expense	600	600	597	(3)
Board of Assessment Appeals	400	400	146	(254)
Tax Collector	20,477	20,477	20,477	-
Tax Collector's Expense	5,658	5,658	4,922	(736)
Treasurer	15,000	15,000	15,000	-
Treasurer's Expense	500	500	157	(343)
Town Attorney	5,000	5,000	1,400	(3,600)
Town Clerk	37,137	37,137	37,137	-
Town Clerk's Expense	3,970	3,970	1,766	(2,204)
Assistant Town Clerk	6,802	6,802	6,599	(203)
Building Inspector	12,864	12,864	12,864	-
Building Inspector's Expense	1,045	1,045	312	(733)
Farmington Valley Health District	7,380	7,380	7,380	-
Planning and Zoning Commission	1,500	1,500	218	(1,282)
Zoning Board of Appeals	525	525	186	(339)
Inland-Wetlands Agency	1,500	1,500	1,133	(367)
Town Secretary	29,687	29,687	28,654	(1,033)
Land Use Sec'y/Enf. Officer	15,600	15,600	17,488	1,888
Social Security	34,446	34,446	31,683	(2,763)
Pension Payment	300	300	300	-
Pension Contribution	12,340	12,340	12,340	-
Employee Medical Insurance	113,490	113,490	105,294	(8,196)
Insurance (CIRMA)	79,000	79,000	78,826	(174)
Recreation Board	17,000	17,000	13,836	(3,164)
Auditor	13,760	13,760	14,960	1,200
Assistant Tax Collector	500	500	335	(165)
Town Hall Admin. Support	900	900	795	(105)
CCM	1,050	1,050	1,102	52
Total General Government	510,570	510,570	485,683	(24,887)
Public Safety:				
Fire Marshal	3,903	3,903	3,903	-
Fire Marshal's Expense	-	-	20	20
Fire Protection	\$ 50,600	\$ 50,600	\$ 79,234	\$ 28,634

See accountant's report.

TOWN OF COLEBROOK

page 3 of 4

General Fund

Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
Constables	\$ 150	\$ 150	\$ 140	\$ (10)
911	15,737	15,737	14,376	(1,361)
Total Public Safety	70,390	70,390	97,673	27,283
Highways:				
Wages	174,670	174,670	162,999	(11,671)
Overtime	25,672	25,672	22,222	(3,450)
Town Garage Fuel	33,750	33,750	26,011	(7,739)
Town Garage Lubricants	5,000	5,000	933	(4,067)
Town Garage Parts	21,615	21,615	21,279	(336)
Town Garage Repairs	21,300	21,300	34,175	12,875
Winter Maintenance	90,000	90,000	166,889	76,889
Road Maintenance	100,000	100,000	69,637	(30,363)
Oil Program	180,000	180,000	181,180	1,180
Street Lights	980	980	867	(113)
Garage Utilities	6,670	6,670	9,474	2,804
Garage Support	5,000	5,000	4,396	(604)
Tree Removal	10,000	10,000	8,750	(1,250)
Town Garage Environmental	5,370	5,370	10,897	5,527
Town Garage Building Maintenance	2,000	2,000	7,917	5,917
Total Highways	682,027	682,027	727,626	45,599
Town Hall:				
Office Supplies	10,000	10,000	9,875	(125)
Town Hall/Community Hall Util.	20,500	20,500	21,062	562
Town Hall Maintenance	17,500	17,500	20,878	3,378
Miscellaneous	2,000	2,000	1,579	(421)
Total Town Hall	50,000	50,000	53,394	3,394
Senior Center:				
Senior Center Utilities	6,745	6,745	4,800	(1,945)
Senior Center Maintenance	9,200	9,200	10,466	1,266
Senior Center Coordinator	6,188	6,188	2,976	(3,212)
Site Manager and Helper	23,041	23,041	17,159	(5,882)
Van & Driver	6,000	6,000	4,839	(1,161)
Total Senior Center	51,174	51,174	40,240	(10,934)
Health and Welfare:				
Vital Statistics	26	26	-	(26)
Foothills Nursing	6,039	6,039	6,039	-
Susan B. Anthony	1,000	1,000	1,000	-
Winsted Ambulance	\$ 6,652	\$ 6,652	\$ 6,652	\$ -

See accountant's report.

TOWN OF COLEBROOK

General Fund

Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
Elderly Nutrition Program	\$ 526	\$ 526	\$ 526	\$ -
Elderly Transit Program	713	713	713	-
Regional Mental Health	162	162	162	-
Paramedic Intercept	12,311	12,311	12,311	-
Norfolk Ambulance	3,652	3,652	3,652	-
Northwest Corner Chore Service	500	500	500	-
Total Health and Welfare	<u>31,581</u>	<u>31,581</u>	<u>31,555</u>	<u>(26)</u>
Miscellaneous:				
Libraries	14,207	14,207	14,207	-
Cemeteries	6,500	6,500	4,320	(2,180)
Data Processing	21,000	21,000	17,319	(3,681)
Winsted YSB	2,196	2,196	2,196	-
LHCEO	1,260	1,260	1,216	(44)
Farmington River Watershed	204	204	204	-
Mapping: Micro Filming	1,661	1,661	202	(1,459)
Total Miscellaneous	<u>47,028</u>	<u>47,028</u>	<u>39,664</u>	<u>(7,364)</u>
Refuse Disposal:				
Town's Refuse/Recycle	208,000	208,000	198,283	(9,717)
Total Refuse Disposal	<u>208,000</u>	<u>208,000</u>	<u>198,283</u>	<u>(9,717)</u>
Debt Service:	<u>73,375</u>	<u>73,375</u>	<u>73,375</u>	-
Education:				
Colebrook School Budget	1,797,195	1,817,195	1,759,904	(57,291)
Northwest Regional # 7	1,829,091	1,829,091	1,824,111	(4,980)
Total Education	<u>3,626,286</u>	<u>3,646,286</u>	<u>3,584,015</u>	<u>(62,271)</u>
Other Expenditures:				
CERT Grant Expense	-	-	1,500	1,500
Insurance Claims Expense	-	-	5,918	5,918
Total Other Expenditures	<u>-</u>	<u>-</u>	<u>7,418</u>	<u>7,418</u>
Capital Improvements:				
Capital Expenditures	400,000	400,000	400,000	-
Total Capital Improvements	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	-
Total Expenditures	<u>5,750,431</u>	<u>5,770,431</u>	<u>5,738,926</u>	<u>(31,505)</u>
Excess of Revenues over Expenditures	<u>\$ 22,572</u>	<u>\$ 22,572</u>	<u>\$ 185,877</u>	<u>\$ 163,305</u>

See accountant's report.

TOWN OF COLEBROOK
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

SPECIAL REVENUE FUNDS

	Post Office Fund	Dog Fund	School Cafeteria Fund	Cemetery Fund	Historical Document Fund	Education Grants Fund	Total
Assets							
Cash and Cash Equivalents	\$ 23,932	\$ 2,125	\$ 1,659	\$ 92,891	\$ -	\$ 18	\$ 120,625
State and Federal Grants Receivable	-	-	1,981	-	-	466	2,447
Other Receivables	-	-	-	-	-	-	-
Interfund Receivables	-	-	-	-	2,696	-	2,696
Inventory	-	-	1,208	-	-	-	1,208
Total Assets	<u>\$ 23,932</u>	<u>\$ 2,125</u>	<u>\$ 4,848</u>	<u>\$ 92,891</u>	<u>\$ 2,696</u>	<u>\$ 484</u>	<u>\$ 126,976</u>
Liabilities							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-	-	18	18
Interfund Payable	-	1,291	-	-	-	-	1,291
Due to State of CT	-	1,693	-	-	-	-	1,693
Total Liabilities	<u>-</u>	<u>2,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18</u>	<u>3,002</u>
Fund Balances							
Nonspendable	-	-	1,208	-	-	-	1,208
Restricted	-	-	-	92,891	2,696	466	96,053
Committed	23,932	-	3,640	-	-	-	27,572
Unassigned	-	(859)	-	-	-	-	(859)
Total Fund Balances	<u>23,932</u>	<u>(859)</u>	<u>4,848</u>	<u>92,891</u>	<u>2,696</u>	<u>466</u>	<u>123,974</u>
Total Liabilities and Fund Balances	<u>\$ 23,932</u>	<u>\$ 2,125</u>	<u>\$ 4,848</u>	<u>\$ 92,891</u>	<u>\$ 2,696</u>	<u>\$ 484</u>	<u>\$ 126,976</u>

See accountant's report.

TOWN OF COLEBROOK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

SPECIAL REVENUE FUNDS

	Post Office Fund	Dog Fund	School Cafeteria Fund	Cemetery Fund	Historical Document Fund	Education Grants Fund	Total
Revenues							
Investment Income	\$ -	\$ -	\$ -	\$ 9	\$ -	\$ -	\$ 9
Fees and Charges	-	2,742	24,640	120	654	-	28,156
Contributions	-	-	-	-	-	-	-
Intergovernmental Revenues	-	-	12,906	-	4,000	24,004	40,910
Other	9,661	-	248	-	-	-	9,909
Total Revenues	<u>9,661</u>	<u>2,742</u>	<u>37,794</u>	<u>129</u>	<u>4,654</u>	<u>24,004</u>	<u>78,984</u>
Expenditures							
General Government	4,112	-	-	-	4,160	-	8,272
Public Safety	-	3,289	-	-	-	-	3,289
Health and Welfare	-	-	-	-	-	-	-
Education	-	-	38,751	-	-	24,285	63,036
Debt Service	-	-	-	-	-	-	-
Total Expenditures	<u>4,112</u>	<u>3,289</u>	<u>38,751</u>	<u>-</u>	<u>4,160</u>	<u>24,285</u>	<u>74,597</u>
Net Changes in Fund Balances Before Other Financing Sources/(Uses)	5,549	(547)	(957)	129	494	(281)	4,387
Other Financing Sources/(Uses)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in Fund Balances	5,549	(547)	(957)	129	494	(281)	4,387
Fund Balances - Beginning	18,383	(312)	5,805	92,762	2,202	747	119,587
Fund Balances - Ending	<u>\$ 23,932</u>	<u>\$ (859)</u>	<u>\$ 4,848</u>	<u>\$ 92,891</u>	<u>\$ 2,696</u>	<u>\$ 466</u>	<u>\$ 123,974</u>

See accountant's report.

TOWN OF COLEBROOK
 Combining Statement of Fiduciary Net Position
 June 30, 2014

	Agency Funds					Total
	Pension Trust Fund	Recreation Board Fund	School Activities Fund	Senior Center Fund	Colebrook Fair Fund	
Assets:						
Cash and Cash Equivalents	\$ -	\$ 7,615	\$ 21,520	\$ 20,104	\$ 1,857	\$ 51,096
Investments	151,098	-	-	-	-	151,098
Total Assets	<u>\$ 151,098</u>	<u>\$ 7,615</u>	<u>\$ 21,520</u>	<u>\$ 20,104</u>	<u>\$ 1,857</u>	<u>\$ 202,194</u>
Deferred Outflows of Resources	-	-	-	-	-	-
Liabilities:						
Due to Beneficiaries	\$ -	\$ 7,500	\$ 21,520	\$ 18,674	\$ 1,808	\$ 49,502
Due to Others	-	115	-	1,430	49	1,594
Total Liabilities	<u>-</u>	<u>7,615</u>	<u>21,520</u>	<u>20,104</u>	<u>1,857</u>	<u>51,096</u>
Deferred Inflows of Resources	-	-	-	-	-	-
Net Position:						
Restricted for Pension Benefits	151,098	-	-	-	-	151,098
Total Net Position	<u>\$ 151,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,098</u>

See accountant's report.

TOWN OF COLEBROOK

Combining Statement of Revenues, Expenditures, and Changes in Fiduciary Net Position Fiduciary Funds

For the Year Ended June 30, 2014

	<u>Pension Trust Fund</u>
Revenues:	
Employer Contributions	\$ 12,833
Earnings from Investments	<u>38,127</u>
Total Revenues	<u>50,960</u>
Expenditures:	
General Government	<u>82,805</u>
Total Expenditures	<u>82,805</u>
Excess (Deficiency) of Revenues Over Expenditures	(31,845)
Net Position, Beginning of Year	<u>182,943</u>
Net Position, End of Year	<u>\$ 151,098</u>

See accountant's report.

TOWN OF COLEBROOK
Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds
For the Year Ended June 30, 2014

	Balance <u>July 1, 2013</u>	Additions	Deductions	Balance <u>June 30, 2014</u>
RECREATION BOARD FUND				
Assets:				
Cash	\$ 9,196	\$ 5,801	\$ 7,382	\$ 7,615
Liabilities:				
Due to Beneficiaries	\$ 8,866	\$ 5,686	\$ 7,052	\$ 7,500
Due to Others	330	115	330	115
	<u>\$ 9,196</u>	<u>\$ 5,801</u>	<u>\$ 7,382</u>	<u>\$ 7,615</u>
SCHOOL ACTIVITIES FUND				
Assets:				
Cash	\$ 19,244	\$ 11,367	\$ 9,091	\$ 21,520
Liabilities:				
Due to Beneficiaries	\$ 19,244	\$ 11,367	\$ 9,091	\$ 21,520
SENIOR CENTER FUND				
Assets:				
Cash	\$ 29,482	\$ 42,267	\$ 51,645	\$ 20,104
Liabilities:				
Due to Beneficiaries	\$ 28,831	\$ 40,837	\$ 50,994	\$ 18,674
Due to Others	651	1,430	651	1,430
	<u>\$ 29,482</u>	<u>\$ 42,267</u>	<u>\$ 51,645</u>	<u>\$ 20,104</u>
COLEBROOK FAIR FUND				
Assets:				
Cash	\$ -	\$ 1,939	\$ 82	\$ 1,857
Liabilities:				
Due to Beneficiaries	\$ -	\$ 1,890	\$ 82	\$ 1,808
Due to Others	-	49	-	49
	<u>\$ -</u>	<u>\$ 1,939</u>	<u>\$ 82</u>	<u>\$ 1,857</u>
TOTAL ASSETS				
Cash	\$ 57,922	\$ 61,374	\$ 68,200	\$ 51,096
TOTAL LIABILITIES				
Due to Beneficiaries	\$ 56,941	\$ 59,780	\$ 67,219	\$ 49,502
Due to Others	981	1,594	981	1,594
	<u>\$ 57,922</u>	<u>\$ 61,374</u>	<u>\$ 68,200</u>	<u>\$ 51,096</u>

See accountant's report.

TOWN OF COLEBROOK
 Schedule of Property Taxes Levied, Collected, and Outstanding
 For the Year Ended June 30, 2014

List of 10/1:	Out- Standing 07/01/13	Current Levy	Additions	Deductions	Collectable Taxes	Receipt		Receipt of Legal Fees	Total Receipts	Transfers		Out- Standing 06/30/14
						Taxes	Liens, and			to / (from)	Over Paid	
2012	\$ 83,245	\$5,028,587	\$ 4,313	\$ 9,730	\$5,023,170	\$ 4,963,473	\$ 14,387	\$ 4,977,860	\$ 82	\$ 128	\$ 59,743	
2011	\$ 83,245	-	599	62	83,782	52,663	11,215	63,878	1,331	(242)	29,546	
2010	30,361	-	38	-	30,399	11,432	4,556	15,988	1,100	(77)	17,790	
2009	15,059	-	18	-	15,077	5,436	2,354	7,790	1,092	(17)	8,532	
2008	7,590	-	-	-	7,590	876	102	978	1,061	-	5,653	
2007	6,603	-	-	-	6,603	-	-	-	1,043	-	5,560	
2006	6,293	-	-	-	6,293	-	-	-	994	-	5,299	
2005	6,293	-	108	-	6,401	-	-	-	994	(108)	5,299	
2004	1,508	-	115	-	1,623	-	-	-	470	(115)	1,038	
2003	1,470	-	746	-	2,216	-	-	-	458	(746)	1,012	
2002	1,474	-	447	-	1,921	-	-	-	459	(448)	1,014	
2001	1,399	-	291	-	1,690	-	-	-	436	(291)	963	
2000	1,330	-	89	-	1,419	-	-	-	415	(89)	915	
1999	1,722	-	-	-	1,722	-	-	-	267	-	1,455	
1998	1,102	-	-	-	1,102	-	-	-	250	-	852	
1997	1,575	-	-	-	1,575	-	-	-	778	-	797	
	<u>\$ 167,024</u>	<u>\$5,028,587</u>	<u>\$ 6,764</u>	<u>\$ 9,792</u>	<u>\$5,192,583</u>	<u>5,033,880</u>	<u>32,614</u>	<u>5,066,494</u>	<u>\$ 11,230</u>	<u>\$ (2,005)</u>	<u>\$ 145,468</u>	
Net Grand List - October 1, 2012												
Tax Rate 27.10 Mills												
						Less: Refunds						
						Suspende Collections	266	-	599			
						Total Collections	\$ 5,034,146	\$ 32,947	\$ 5,067,093			

See accountant's report.

TOWN OF COLEBROOK
Schedule of Debt Limitation
June 30, 2014

Total Tax Collections for the Year

Taxes, Liens and Fees \$ 5,067,093

Reimbursement for Loss on:

Tax Relief for the Elderly 9,360

Base **\$ 5,076,453**

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>
Debt Limitation:				
2 1/4 times base	\$ 11,422,019	\$ -	\$ -	\$ -
4 1/2 times base	-	22,844,039	-	-
3 3/4 times base	-	-	19,036,699	-
3 1/4 times base	-	-	-	16,498,472
	<u>11,422,019</u>	<u>22,844,039</u>	<u>19,036,699</u>	<u>16,498,472</u>
 Total Debt Limitation	 <u>11,422,019</u>	 <u>22,844,039</u>	 <u>19,036,699</u>	 <u>16,498,472</u>
 Indebtedness:				
Loans Payable	500,000	-	-	-
Overlapping Debt:				
Regional School District No. 7	-	439,070	-	-
	<u>500,000</u>	<u>439,070</u>	<u>-</u>	<u>-</u>
 Total Indebtedness	 <u>500,000</u>	 <u>439,070</u>	 <u>-</u>	 <u>-</u>
 Debt limitation in excess of outstanding and authorized debt	 <u>\$ 10,922,019</u>	 <u>\$ 22,404,969</u>	 <u>\$ 19,036,699</u>	 <u>\$ 16,498,472</u>

Note: In no case should this total indebtedness exceed seven times the base of \$5,076,453 or \$35,535,171.

See accountant's report.

TOWN OF COLEBROOK
 Board of Education
 Schedule of Expenditures - Budget and Actual
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
Salaries				
<i>Certified Personnel</i>				
Superintendent	\$ 52,500	\$ 52,500	\$ 52,500	\$ -
Principal	99,300	99,300	99,300	-
Teachers	629,906	629,906	606,004	(23,902)
Substitutes	12,000	12,000	19,563	7,563
Head Teacher	1,500	1,500	1,500	-
Extra Hours	3,800	3,800	6,109	2,309
Reading Consultant	85,453	85,453	85,453	-
<i>Non-Certified</i>				
Aide	74,557	74,557	71,465	(3,092)
Computer Technician	2,850	2,850	-	(2,850)
Team Mentor	1,000	1,000	1,500	500
Overnight Stipend	300	300	450	150
School Nurse	33,461	33,461	33,461	-
Administrative Asst.	40,853	40,853	40,853	-
Bookkeeper	31,648	31,648	31,648	-
Custodian / Full	33,946	33,946	33,946	-
Custodian / Part	5,661	5,661	2,445	(3,216)
Custodial Overtime	750	750	3,475	2,725
Total Salaries	1,109,485	1,109,485	1,089,672	(19,813)
Employee Benefits				
Medical Insurance	164,675	164,675	127,679	(36,996)
Dental Insurance	11,052	11,052	10,211	(841)
Life Insurance	2,595	2,595	2,414	(181)
Comp. FICA	19,731	19,731	19,662	(69)
Medicare Company	14,715	14,715	14,105	(610)
Pension	2,045	2,045	2,043	(2)
H.S.A. Contribution	18,000	18,000	20,400	2,400
Medicaid Supplement	4,000	4,000	3,743	(257)
Retirement Incentive	24,000	24,000	14,972	(9,028)
Tuition Reimbursement	3,000	3,000	500	(2,500)
Unemployment Comp.	150	150	-	(150)
Vaccines	250	250	-	(250)
Total Employee Benefits	\$ 264,213	\$ 264,213	\$ 215,729	\$ (48,484)

See accountant's report.

TOWN OF COLEBROOK

Board of Education

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
Purchased Services				
Staff Seminars (Workshops)	\$ 3,500	\$ 3,500	\$ 1,081	\$ (2,419)
Curriculum Development	1,000	1,000	-	(1,000)
Legal Fees	3,000	3,000	397	(2,603)
Audit Services	3,150	3,150	3,195	45
Doctor	650	650	600	(50)
Therapists	13,600	13,600	22,623	9,023
Psychologist	-	-	950	950
Fingerprinting	100	100	65	(35)
<i>Purchased Property Services</i>				
Water/Water Coolers	4,500	4,500	2,257	(2,243)
Well Monitor	3,800	3,800	3,215	(585)
<i>Repair and Maintenance Services</i>				
Cleaning Services	1,100	1,100	1,145	45
Building Maint. & Repairs	6,500	6,500	14,820	8,320
Bldg. Insp./Asbestos	1,200	1,200	544	(656)
Equipment Repairs	4,000	4,000	12,285	8,285
Service Contracts	1,600	1,600	2,298	698
Software Upgrade	2,800	2,800	745	(2,055)
Copier Maintenance	1,350	1,350	1,911	561
Equipment Lease	2,520	2,520	2,514	(6)
<i>Student Transportation</i>				
Regular Local	80,551	80,551	80,051	(500)
Special Education	19,966	19,966	24,052	4,086
<i>Communication</i>				
Telephone	4,500	4,500	5,390	890
Postage	1,800	1,800	800	(1,000)
Internet	300	300	-	(300)
Alert Now	300	300	281	(19)
Advertising	1,500	1,500	564	(936)
<i>Travel-Other Transportation</i>				
Travel	1,000	1,000	1,794	794
<i>Miscellaneous Purchased Services</i>				
Other School District	50,050	57,250	60,612	3,362
Education Service in CT	12,400	12,400	13,065	665
Shared Services/Outplacement	100,000	112,800	93,198	(19,602)
Total Purchased Services	\$ 326,737	\$ 346,737	\$ 350,452	\$ 3,715

See accountant's report.

TOWN OF COLEBROOK
 Board of Education
 Schedule of Expenditures - Budget and Actual
 For the Fiscal Year Ended June 30, 2014

	Original Budget	Amended Budget	Actual	Over/ (Under)
Purchases				
<i>Supplies and Materials</i>				
Office Supplies	\$ 1,250	\$ 1,250	\$ 1,138	\$ (112)
Teaching Supplies	2,550	2,550	3,288	738
Testing Supplies	33	33	-	(33)
Audio Visual Supplies	450	450	521	71
Computer Supplies	6,595	6,595	7,123	528
Custodial Supplies	4,850	4,850	7,746	2,896
Health Supplies	670	670	1,241	571
Board of Education Supplies	400	400	1,074	674
Library Supplies	210	210	191	(19)
School Supplies	6,500	6,500	5,497	(1,003)
Principal Supplies	500	500	25	(475)
<i>Energy</i>				
Electricity	20,000	20,000	14,940	(5,060)
Heating Oil	31,350	31,350	39,055	7,705
<i>Textbooks & Periodicals</i>				
Textbooks	9,000	9,000	7,472	(1,528)
Workbooks	4,375	4,375	1,202	(3,173)
Library Books	550	550	548	(2)
Magazines	380	380	371	(9)
Teacher Guides	500	500	1,366	866
Spanish Supplies	-	-	344	344
Music Supplies	800	800	481	(319)
Art Supplies	700	700	436	(264)
Physical Education Supplies	480	480	502	22
Total Purchases	<u>92,143</u>	<u>92,143</u>	<u>94,561</u>	<u>2,418</u>
Capital Outlay				
Furniture & Fixtures	1,317	1,317	2,466	1,149
Equipment	-	-	2,700	2,700
Total Capital Outlay	<u>1,317</u>	<u>1,317</u>	<u>5,166</u>	<u>3,849</u>
Other Objects				
Dues & Fees	3,200	3,200	4,306	1,106
Regionalization Study	-	-	-	-
Miscellaneous	100	100	18	(82)
Total Other Objects	<u>3,300</u>	<u>3,300</u>	<u>4,324</u>	<u>1,024</u>
Total Board of Education	<u>\$ 1,797,195</u>	<u>\$ 1,817,195</u>	<u>\$ 1,759,904</u>	<u>\$ (57,291)</u>

See accountant's report.

King, King & Associates

*Certified Public Accountants
Serving Businesses, Individuals, Nonprofits and Governments*

Member of
American Institute of
Certified Public Accountants

Telephone: (860) 379-0215

Fax: (860) 738-7555

www.kingcpas.com

Connecticut Society of
Certified Public Accountants

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

Independent Auditor's Report

To the Board of Finance of the
Town of Colebrook, CT

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Colebrook, CT, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Colebrook, CT's basic financial statements, and have issued our report thereon dated January 23, 2015.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item #12-1 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Colebrook, CT's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

The Town of Colebrook, CT's Response to Findings

The Town of Colebrook, CT's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town of Colebrook, CT's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

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

King, King & Associates

King, King & Associates, CPAs
January 23, 2015

King, King & Associates

*Certified Public Accountants
Serving Businesses, Individuals, Nonprofits and Governments*

Member of
American Institute of
Certified Public Accountants

Connecticut Society of
Certified Public Accountants

Telephone: (860) 379-0215
Fax: (860) 738-7555
www.kingcpas.com

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

Independent Auditor's Report

To the Board of Finance of the
Town of Colebrook, CT

Report on Compliance for Each Major State Program

We have audited the Town of Colebrook, CT's (the 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, 2014. The Town's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major State Program

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, 2014.

Report on Internal Control over Compliance

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

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

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

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

King, King & Associates

King, King & Associates, CPAs
January 23, 2015

TOWN OF COLEBROOK
Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2014

State Grantor/Pass Through Grantor/Program Title	State Grant Program Identification Number	Expenditures
Connecticut State Library		
Historic Document Preservation	12060-CSL66094-35150	\$ 4,000
State Department of Education		
Adult Education	11000-SDE64370-17030	311
Child Nutrition Program	11000-SDE64000-16211	566
Healthy Food Certification	11000-SDE64000-16212	1,158
Department of Transportation		
Town Aid Road Grant	13033-DOT57131-43459	200,863
Small Town Economic Assistance Program	12052-ECD46400-42411	197
Judicial Department		
Parking Fines	34001-JUD95162-40001	570
Department of Economic Development		
Small Town Economic Assistance Program	12052-ECD46000-42411-149	2,000
Office of Policy and Management		
Property Tax Relief:		
Totally Disabled	11000-OPM20600-17011	239
Payment in Lieu of Taxes (PILOT)	11000-OPM20600-17004	25,012
Veteran's Exemptions	11000-OPM20600-17024	3,731
Elderly Exemptions	11000-OPM20600-17018	9,360
Municipal Grants-In-Aid	12052-OPM20600-43587	517
Total State Financial Assistance Before Exempt Programs		<u>248,524</u>
EXEMPT PROGRAMS		
Office of Policy and Management		
Mashantucket Pequot and Mohegan Fund	12009-OPM20600-17005	8,400
Department of Administrative Services		
School Construction Grants	13010-DAS27636-40901	77,603
Department of Education		
Education Cost Sharing	11000-SDE64000-17041	507,229
Transportation of School Children	11000-SDE64000-17027	3,336
Total Exempt Programs		<u>596,568</u>
Total State Financial Assistance		<u>\$ 845,092</u>

See notes to schedule.

TOWN OF COLEBROOK
Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2014

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Colebrook, CT under programs of the State of Connecticut for the fiscal year ended June 30, 2014. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including the construction and maintenance of public roads.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of Accounting

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

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

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

King, King & Associates

*Certified Public Accountants
Serving Businesses, Individuals, Nonprofits and Governments*

Member of
American Institute of
Certified Public Accountants

Connecticut Society of
Certified Public Accountants

Telephone: (860) 379-0215
Fax: (860) 738-7555
www.kingcpas.com

TOWN OF COLEBROOK, CT Schedule of Findings and Questioned Costs For the Year Ended June 30, 2014

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

We audited the financial statements of the Town of Colebrook, CT as of and for the year ended June 30, 2014 and issued our unmodified report thereon dated January 23, 2015.

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:

State Grantor And Program	State Core-CT Number	Expenditures
Department of Transportation:		
Town Aid Road	13033-DOT57131-43459	\$ 200,863
Office of Policy and Management:		
Payment in Lieu of Taxes (PILOT)	11000-OPM20600-17004	\$ 25,012
• Dollar threshold to distinguish between type A and type B programs		<u>\$ 100,000</u>

II. FINANCIAL STATEMENT FINDINGS

- We issued reports, dated January 23, 2015, 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*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated significant deficiencies, as described below:

FINDING #12-1

Condition

The Town of Colebrook does not maintain a fixed asset listing and relies on its auditors to track fixed assets and calculate depreciation expense. As a result, the internal control over financial reporting of fixed assets and related depreciation is weakened. This comment is repeated from the prior year.

Context

Preparation of financial statements in accordance with GAAP requires that management be able to track and calculate depreciation on their fixed assets. The Town currently reviews the listing provided by the auditors annually for additions and disposals.

Effect

Internal controls over financial reporting for fixed assets are weakened.

Cause

The Town has historically relied on its auditors for this segment of financial reporting.

Recommendation

We recommend that the Town implement a procedure for tracking fixed assets and calculating annual depreciation.

Views of Responsible Officials and Planned Corrective Actions

While the Town recognizes the importance of correctly tracking fixed assets and calculating annual depreciation, we continue to respectfully disagree that the use of our auditors to

perform this function weakens internal control over financial reporting of these assets. We remain confident that our thorough review of the listing provided by our auditors annually for additions and disposals provides the necessary internal controls to ensure reporting accuracy. We have also evaluated the cost vs. benefit of establishing the auditor-recommended controls and continue to conclude, that given the Town's small, part-time accounting staff, the excess payroll costs associated with training Town personnel to perform the function are not justified at this time.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

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