

## **Town of Colebrook, Connecticut**

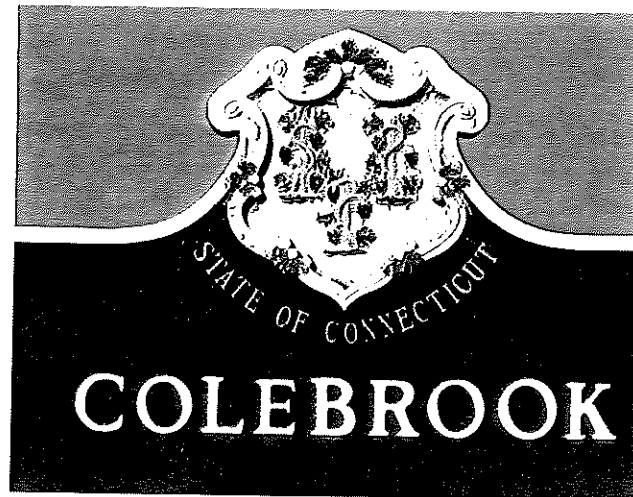


***CT STAGE BIKE RACE – May 2009***



**ANNUAL REPORT**  
**for the year ending June 30<sup>th</sup>, 2008**





### A MESSAGE FROM THE FIRST SELECTMAN

During my first term as First Selectman, our country and state have faced serious financial situations. Fortunately, on the town level, we've been able to maintain high standards in our education program without reductions in services to our residents, and all with minimal tax increases.

Within the next year, the town will put the Bunnell Street Bridge Project out to bid, with construction to begin in early spring of 2010. The design phase for the Sandy Brook Bridge Project will start this winter. Both projects are 80% federally funded. Through federal stimulus funds, Riverton Road will be chip sealed in the spring of 2010.

We have also received law enforcement and energy grant monies. The awarding of a Department of Environmental Protection grant will allow the town to update some zoning regulations.

Additional projects include running electrical power to the Recreation Area ball field, restoring our website, and installing a new generator system for the Town Hall and the Senior & Community Center, both of which are emergency shelters.

With the uncertainty surrounding future state funding for town projects, the next year may be difficult. However, with your continued support, I know we can all work together as town residents to meet the challenges ahead.

Thomas D. McKeon  
First Selectman

## 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](mailto:tommckeon@colebrooktownhall.org)

#### TOWN CLERK

Debra McKeon

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

#### TOWN TREASURER

John Burrows

Phone: (860)379-3359 x212      Fax: (860)379-7215  
Email: [jburrows@colebrooktownhall.org](mailto:jburrows@colebrooktownhall.org)

#### TAX COLLECTOR

Laura Bartlett

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

#### ASSESORS OFFICE

Michele Sloane

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

Joan Durant, Assistant

Phone: (860)379-3359 x206      Fax: (860)379-7215  
Email: [jdurant@colebrooktownhall.org](mailto:jdurant@colebrooktownhall.org)

#### LAND USE OFFICE

Karen G. Nelson,  
Land Use Official

Phone: (860)379-3359 x208      Fax: (860)379-7215  
Email: [kgnelson@colebrooktownhall.org](mailto:kgnelson@colebrooktownhall.org)

Marc Melanson  
Building Official

Phone: (860)379-3359 x201      Fax: (860)379-7215  
Email: [lcclark@colebrooktownhall.org](mailto:lcclark@colebrooktownhall.org)

#### REGISTRAR OF VOTERS

Ingeborg Gomez  
Cathy Andersen

Phone: (860)379-3359 x211      Fax: (860)379-7215  
Email: [vr.colebrook@po.state.ct.us](mailto:vr.colebrook@po.state.ct.us)

#### TOWN ADMINISTRATIVE

##### ASSISTANT

Lee Clark

Phone: (860)379-3359 x201      Fax: (860)379-7215  
Email: [lclark@colebrooktownhall.org](mailto:lclark@colebrooktownhall.org)

#### DEPARTMENT OF PUBLIC WORKS

William Jasmin, Foreman

Phone: (860)379-8306      Fax: (860)379-8306

**OFFICE/INCUMBENT****TERM****BOARD OF ASSESSMENT APPEALS**

Mark A. Lett, Chairman	11/22/05 – 11/17/09
Nadia M. Corvo	11/22/05 – 11/17/09
Frank W. Thompson	11/20/07 – 11/22/11

**CONSTABLES**

H. Spencer Coleman	11/20/07 – 11/17/09
Christopher L. Johnstone	11/20/07 – 11/17/09
John H. Lossin	11/20/07 – 11/17/09
Gerald J. Peters	11/20/07 – 11/17/09

**REGISTRARS OF VOTERS**

Catherine M. Andersen, Republican	01/07/09 – 01/05/11
Inge M. Gomez, Democratic	01/07/09 – 01/05/11

**JUSTICES OF THE PEACE**

Ronald J. Aubel	01/05/09 – 01/07/13
Mary L. Baker	01/05/09 – 01/07/13
Louise M. Carper	01/05/09 – 01/07/13
Barbara B. Case	03/04/09 – 01/07/13
Sally A. Coleman	01/05/09 – 01/07/13
Ralph W. Hazen, Jr.	01/05/09 – 01/07/13
Peter J. Kennedy	03/04/09 – 01/07/13
Brittany M. McKeon	03/04/09 – 01/07/13
William E. Nelson, Jr.	01/05/09 – 01/07/13
John P. Parisi	03/04/09 – 01/07/13
Janet H. Rathbun	01/05/09 – 01/07/13
Astrid C. Tury	01/05/09 – 01/07/13
Harry E. White	03/04/09 – 01/07/13
Penelope F. White	01/05/09 – 01/07/13
Gloria M. Wilber	01/05/09 – 01/07/13
Sidney S. VanLeer	01/05/09 – 01/07/13
Vacancy -R	01/05/09 – 01/07/13
Vacancy -R	01/05/09 – 01/07/13
Vacancy -R	01/05/09 – 01/07/13
Vacancy -R	01/05/09 – 01/07/13

**PLANNING AND ZONING COMMISSION**

John C. Garrels, III, Chairman	10/07 – 10/10
Geraldine Ann Bowen	10/06 – 10/09
Robert A. Suprenant	10/06 – 10/09
Howard G. Estock	10/08 – 10/11
Theodore V. Wilber	10/08 – 10/11

**ALTERNATES**

Edward G. Lord, III	10/08 – 10/11
David A. Bishop	10/07 – 10/10
James Millar, Jr.	10/06 – 10/09



## TOWN OFFICIALS

### OFFICE/INCUMBENT

### TERM

#### BOARD OF SELECTMEN

Thomas D. McKeon, First Selectman

11/20/07 – 11/17/09

Ronald J. Aubel, Selectman

11/20/07 – 11/17/09

Duncan G. Wilber, Selectman

11/20/07 – 11/17/09

#### TOWN CLERK AND REGISTRAR OF VITAL STATISTICS

Debra L. McKeon

01/07/08 – 01/04/10

N. Joyce Nelson, Assistant

01/07/08 – 01/04/10

Joan M. Durant, Assistant

01/07/08 – 01/04/10

Laura M. Bartlett, Assistant

01/07/08 – 01/04/10

#### TOWN TREASURER

John E. Burrows

11/20/07 – 11/17/09

#### TAX COLLECTOR

Laura M. Bartlett

11/20/07 – 11/17/09

#### BOARD OF FINANCE

James Millar, Jr., Chairman

11/20/07 – 11/19/13

Leon J. Carper

11/20/07 – 11/19/13

Corrine C. Pollock

11/22/05 – 11/22/11

Theodore V. Wilber

11/22/05 – 11/22/11

Thomas R. Corvo

11/18/03 – 11/17/09

John J. Dorazio

12/12/07 – 11/17/09

#### BOARD OF EDUCATION

Bradley N. Bremer, Chairman

11/20/07 – 11/22/11

Jeanne R. Jones

11/20/07 – 11/22/11

Helen Louise Plager (up for election 11/09 due to resignation)

11/20/07 – 11/22/11

Lisa Ann B. Fragale

11/20/07 – 11/22/11

Sherri P. Gray

11/22/05 – 11/17/09

Susan Read Stanton

11/22/05 – 11/17/09

Bernard R. Adams (up for election in 11/09 filled resignation)

11/08/07 – 11/03/09

#### SUPERINTENDENT/PRINCIPAL

James Chittum/Beth Driscoll

#### ASSESSORS

Michele Sloane, CCMA I, Assessor

Joan M. Durant, Clerk

#### BOARD OF ASSESSORS

William E. Nelson, Jr., Chairman

Edward A. Allen

Geraldine M. Kassel

**OFFICE/INCUMBENT****TERM****ZONING BOARD OF APPEALS**

Fred P. Williams, Chairman  
Joseph J. Alciati, Sr.  
Thomas E. Lawton  
Charles S. Whitney  
Carol Ann Sherwood

10/08 – 10/10  
10/08 – 10/10  
10/07 – 10/09  
10/07 – 10/09  
10/07 – 10/09

**ALTERNATES**

Charles Buchanan  
Robert R. Lauzier  
Vacancy

10/07 – 10/10  
10/08 – 10/11  
10/06 – 10/09

**INLAND WETLANDS COMMISSION**

Thomas B. Stanton, Chairman  
Raymond L. Swanton  
Kenneth Andresen  
Edna H. Travis  
Michael F. Hurd

02/08 – 02/11  
02/08 – 02/11  
02/07 – 02/10  
02/09 – 02/12  
02/09 – 02/12

**ALTERNATES**

John H. Lossin  
Joseph R. Polidoro  
Vacancy

05/08 – 05/11  
05/07 – 05/10  
05/09 – 05/12

**CONSERVATION COMMISSION**

Jonathan P. Thompson, Chairman  
Gregory P. Millard  
James L. Bickford  
Linda G. Bickford  
Shayne R. Young  
Edna H. Travis  
Jerome Rathbun  
Vacancy  
Vacancy  
Vacancy  
Vacancy

11/01/08 – 10/31/11  
11/01/08 – 10/31/11  
11/01/07 – 10/31/10  
11/01/07 – 10/31/10  
11/01/07 – 10/31/10  
11/01/06 – 10/31/09  
11/01/06 – 10/31/09  
11/01/06 – 10/31/09  
11/01/08 – 10/31/11  
11/01/08 – 10/31/11  
11/01/08 – 10/31/11

**ALTERNATES**

Vacancy  
Vacancy  
Vacancy

11/01/07 – 10/31/09  
11/01/07 – 10/31/09  
11/01/07 – 10/31/09

**LAND USE ADMINISTRATOR**

Karen Griswold Nelson

**LAND USE SECRETARY**

Karen Griswold Nelson

<b><u>OFFICE/INCUMBENT</u></b>	<b><u>TERM</u></b>
<b><u>RECREATION BOARD</u></b>	
Andrew L. Riberdy, Chairman	10/08 – 10/11
Vernon L. Swartley	10/08 – 10/11
Lisa Ann B. Fragale	10/06 – 10/09
Cary Wald	10/06 – 10/09
Larry J. Webb	10/06 – 10/09
<b><u>HISTORIC DISTRICT COMMISSION</u></b>	
Joyce C. Hemingson, Chairman	10/04 – 10/09
James E. Rogers	10/06 – 10/10
Julia Andresen	10/06 – 10/11
John C. Garrels, III	10/07 – 10/12
John C. Putnam	10/08 – 10/13
<b><u>ALTERNATES</u></b>	
Janet H. Rathbun	10/07 – 10/10
Mary L. Baker	10/06 – 10/09
James L. Bickford	10/08 – 10/11
<b><u>REGIONAL SCHOOL DISTRICT NO. 7</u></b>	
Theresa J. Kenneson	07/01/09 – 07/01/13
Janice M. Dorazio	07/01/07 – 07/01/11
<b><u>SENIOR AND COMMUNITY CENTER</u></b>	738-9521
Janet Fredsall, Advisory Board Chairman	
Alyse Bergersen, Nutrition Site	
<b><u>BUILDING OFFICIAL</u></b>	
Marc C. Melanson	379-3359 ext. 201
<b><u>FARMINGTON VALLEY HEALTH DISTRICT</u></b>	1-800-909-3843
<b><u>FIRE MARSHAL</u></b>	
Mark Melanson	379-3359 ext. 201
<b><u>EMERGENCY MANAGEMENT</u></b>	
Alfred R. Tillotson	379-3359 ext. 201
<b><u>BURNING PERMIT OFFICERS</u></b>	
Benjamin Bartlett	738-4151
Richard Wilber	379-1651
Craig Carfiro	379-5747
Edward Bascetta	379-9215
<b><u>ANIMAL CONTROL OFFICER</u></b>	
William Nelson	379-0004
<b><u>JUDGE OF PROBATE (WINSTED)</u></b>	
Alan M. Barber, Esq.	379-5576
<b><u>TOWN ATTORNEY</u></b>	
Muschell & Simoncelli, LLP	482-6501



## **CALENDAR OF MEETINGS**

### **BOARD OF SELECTMEN**

2nd Monday of each month – Town Hall, 7:00 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**

1st Monday 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, 6:30 P.M.  
(Except July, August and December) Regular meetings during those months will be  
July 2<sup>nd</sup> Wednesday, August 4<sup>th</sup> Wednesday and December 2<sup>nd</sup> Wednesday

### **ANNUAL TOWN BUDGET MEETING**

3rd Tuesday 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, 2009, 6:00 A.M. – 8:00 P.M.,  
Town Hall, Meeting Room 2nd Floor

## **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 379-3359 Ext.204.



## **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.

John Burrows ("Jeb") is now in his fourth year as Town Treasurer, having been first elected in November 2005. While the position is part time, Jeb rarely misses a day at Town Hall. "As the Town has grown, so too have the Treasurer's responsibilities. The financial accounting process has become more sophisticated, more demanding. There's no room for error in this work."

## 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 will also begin preparing for the state mandated October 2010 Revaluation of all Real Estate in the Town of Colebrook. Informational Seminars will be held and newsletters published to keep everyone informed.

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 379-3359 ext. 206 for more information or to request applications for any tax relief programs.

Michele Sloane, CCMAL, Assessor  
Joanie Durant, Administrative Support



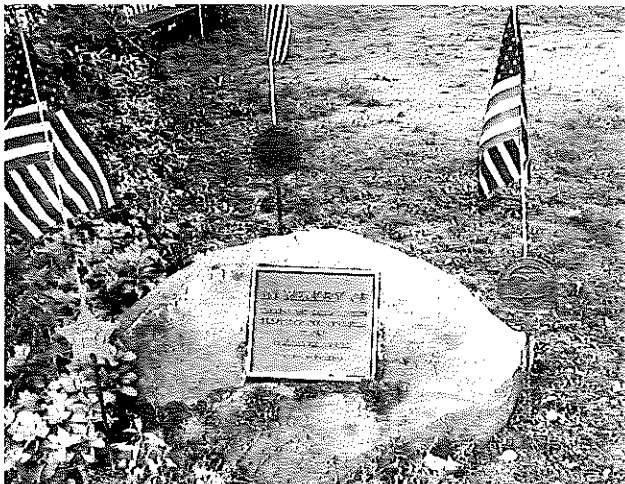
## LAND USE OFFICE

The Land Use Office deals with questions, concerns, and formal approvals relating to the use of residential and commercial properties in town. The office supports three statutory elected boards – the Planning and Zoning commission, the Inland Wetlands and Watercourse Agency, and the Zoning Board of Appeals. It also coordinates with other town entities, including the building and highway departments, the Conservation Commission, and the Historic District Commission, and with regional organizations, including the Northwest Conservation District, the Farmington River Watershed Association, and the Farmington Valley Health District. Karen Griswold Nelson currently serves as Land Use Administrator, Zoning Enforcement Officer, and as secretary to the three boards.

The Planning and Zoning Commission has five standing members and three alternates. The current members are John Garrels, chair, Robert Suprenant, vice-chair, Ann Bowen, Howard Estock, and Ted Wilber. The current alternates are David Bishop, Edward Lord, and James Millar. In May, 2008, the adopted newly revised zoning regulations presented by the Commission. Subdivision and planning regulations are currently undergoing revision. The Commission meets monthly.

The Inland Wetlands and Watercourse Agency also has five standing members – Thomas Stanton, chair, Kenneth Andresen, Michael Hurd, Ray Swanton and Edna Travis, and two alternates, John Lossin and Joseph Polidoro. In May, 2008, the Agency modified its regulations to increase the upland review area requirement from 75 to 100 feet, and to comply with articles of the Inland Wetlands and Watercourse Act. The Agency meets monthly.

The Zoning Board of Appeals is also comprised of eight members – regular members Fred Williams, chair, Joseph Alciati, Thomas Lawton, Carol Sherwood, and alternates Charles Buchanan and Robert Lauzier. The Board's mission is to act on requests for variances from the standing zoning regulations. The Board of Appeals meets on a need basis.



## THE COLEBROOK HISTORICAL SOCIETY

*In 1953, a group of far-sighted individuals founded The Colebrook Historical Society. They were dedicated to preserving the fascinating history of our community, as we are today. The Society maintains a rich store of historical collections on display at its museum in Colebrook Center. These Collections represent many and varied aspects of life in Colebrook from the mid-1700's to the present. Virtually every item was used or made in town, or donated by a Colebrook resident. The museum also houses an extensive genealogy department, consulted by people from all over the United States.*

*The museum building itself is a historical treasure. Constructed in 1816, the Inn provided hospitality to visitors and travelers until the early 1940's. In 1953, part of the first floor was taken over by the Colebrook Town Hall. Town business was conducted there until 2003, when the new buildings centered on the old Gray Barn were occupied. We are now engaged in restoring the building to its former simplicity and beauty.*

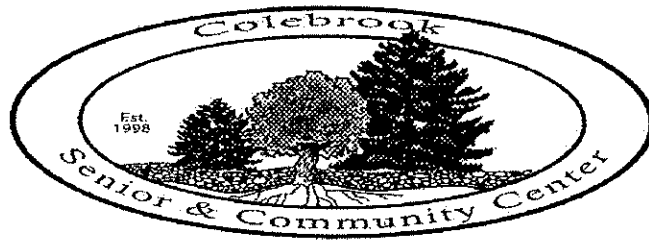
*Another historical treasure maintained by the Society is the Rock School, located at the intersection of Sandy Brook Road and Colebrook Road. Truly a jewel from our past, this school was erected in 1779, educating Colebrook's children until 1911. It is perhaps the only colonial schoolhouse in the state that is essentially still in its original condition; it has never been electrified, nor has it ever had running water or indoor plumbing. It is used as a learning facility by the Colebrook Consolidated School, and is open to the public on selected weekends or by request.*

*The Colebrook Historical Society offers many special events and exhibits during the Summer and Fall Seasons. The Friday Evening Gatherings feature speakers who share their unique and very personal historical expertise and experience. We also sponsor a Concert Series, and have many exciting plans in hand for more offerings in the future. Please check our website often for all the details on these very special upcoming events.*

[www.colebrookhistoricalsociety.org](http://www.colebrookhistoricalsociety.org)

*Jan Rathbun & Julie Andresen  
Co-Presidents*





## **The Colebrook Senior and Community Center**

2 School House Road, P.O. Box 5

Colebrook, CT 06021

860-738-9521

August, 2009

### **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 nutrition programs 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 completed its tenth year as a community center in 2008. It is open Mondays, Tuesdays, Thursdays and Fridays from 9 a.m. to 3 p.m. and on Wednesdays from 10 a.m. to 2 p.m. The Center will open upon request for special activities, events, or meetings. With a fully equipped kitchen and large main room, 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 meals are served by reservation on Mondays, Tuesdays, Thursdays and Fridays inclusive of monthly brunches, potlucks, restaurant review lunch trips, breakfasts, picnics and special gourmet meals. All ages are welcomed. Take out and deliveries are available. Transportation is available and provided thanks to an 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 include weekly needlecrafts, quilting and cards. Monthly activities include day trips, health screenings, lunch with Colebrook Consolidated School classes, scrapbooking, community potluck dinners with presentation of an interesting topic, and pie-of-the-month sales and pizza takeout. Annually, the Center participates in the Colebrook Labor Day Fair and the Holiday Craft Fair. It holds two popular fundraising events each year—The Turkey Dinner held in September and a Chicken BBQ in April. In May, the Center hosts the Mother's Day Tea. We have coordinated with fellow organizations in town and compiled an annual Community Calendar, and a monthly Community Newsletter.

Thank you Colebrook Townspeople for your support during our first 10 years. I trust we will continue to provide activities and services to our active community well into the future with your continued support.

Janet E. Fredsall, Senior and Community Center, Advisory Board Chairman

MTRF 9-3 / W 10-2

[seniordirector@colebrooktownhall.org](mailto:seniordirector@colebrooktownhall.org)





# COLEBROOK VOLUNTEER FIRE DEPARTMENT, INC.

COLEBROOK CENTER  
PO BOX 82  
COLEBROOK, CT 06021  
(860) 379-8989



FORGE COMPANY  
300 COLEBROOK RIVER ROAD  
WINSTED, CT 06098  
(860) 379-1551

The Colebrook Fire Department responded to 102 emergency calls including mutual aid calls. Calls include motor vehicle accidents, structure fires, brush fires, search and rescue calls, down electrical wires, activated alarms and miscellaneous calls.

If you need a reflective house number, please give us a call 379-8989. They are available through the Fire Department for \$20.00 or \$25.00 with a 6' steel post.

The Fire Department has applied for a grant from FEMA for a new tanker. The current tanker at Center is 27 years old and is in desperate need of repairs or replacement.

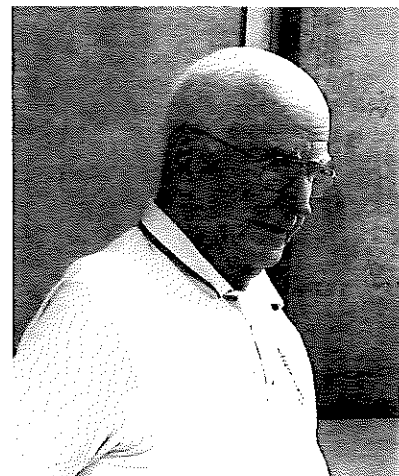
The tax abatement program was passed for firemen and EMS personnel who qualify with the required earned points. The fire department members have been working on this for many years. With support from the selectmen and the community it was passed when it went to a town vote.

The Fire Department's involvement in the community through out the year included: a food booth at the Colebrook Fair, helping at the Halloween Party with traffic control and bon fires, traffic control with the bike race, and annual ice skating party in January. The Ladies Auxiliary hosts a Children's Christmas party in December for Colebrook residents from birth to grade 5.

We wish to thank everyone that attended the Colebrook Fire Department 6<sup>th</sup> Annual Steak Bake at Maaser Park. This year's dinner was in honor of Spenny Coleman. Spenny has over 52 years of service. Thank you Spenny for all you have done for the department and the community.

Your support is always greatly appreciated.

Benjamin Bartlett, Chief  
Colebrook Volunteer Fire Department



## **Colebrook Volunteer Fire Department EMS First Responders**

What we do: When someone has a medical emergency, traumatic injury, motor vehicle accident, or any other type of emergency where medical help is needed, they call 911. Litchfield County Dispatch (LCD) immediately puts out a tone which comes over all of our radios with the nature of the call and the location. Norfolk or Winsted Ambulance (dependent upon the location) is called at the same time. We arrive and provide care pursuant to the situation.

We do not charge for our services and rely primarily upon fundraisers and donations. The First Responders are based at the Forge Station which is in the eastern section of Colebrook. Because of the proximity of some calls in relation to the location of the first responder at the time, each responder is equipped with a bag containing pertinent medical equipment. This ensures efficiency, and the least amount of response time possible.

Special thanks go out to the volunteers for taking the time to meet the rigorous demands to comply with ever increasing state and federal standards, as well as volunteering their valuable personal time to assist the people in our community. Many thanks also to the neighboring services that we provide mutual aid to for their cooperation and support. And of course, thank you to members and residents of the community of Colebrook.

We look forward to continuing to serve you as we conduct ourselves in the most professional and empathetic manner possible while utilizing our skills as we meet changing and increasing needs through continued training, education, and further development of this viable service.

Respectfully Submitted,

Lynne A. Thibault,  
Administrator  
Colebrook First Responders



## ANNUAL REPORT July 2008 – 2009

### **Beardsley & Memorial Library**

*Serving the Towns of Barkhamsted, Colebrook and Winsted/Winchester.*

**40 Munro Place, Winsted, CT 06098**

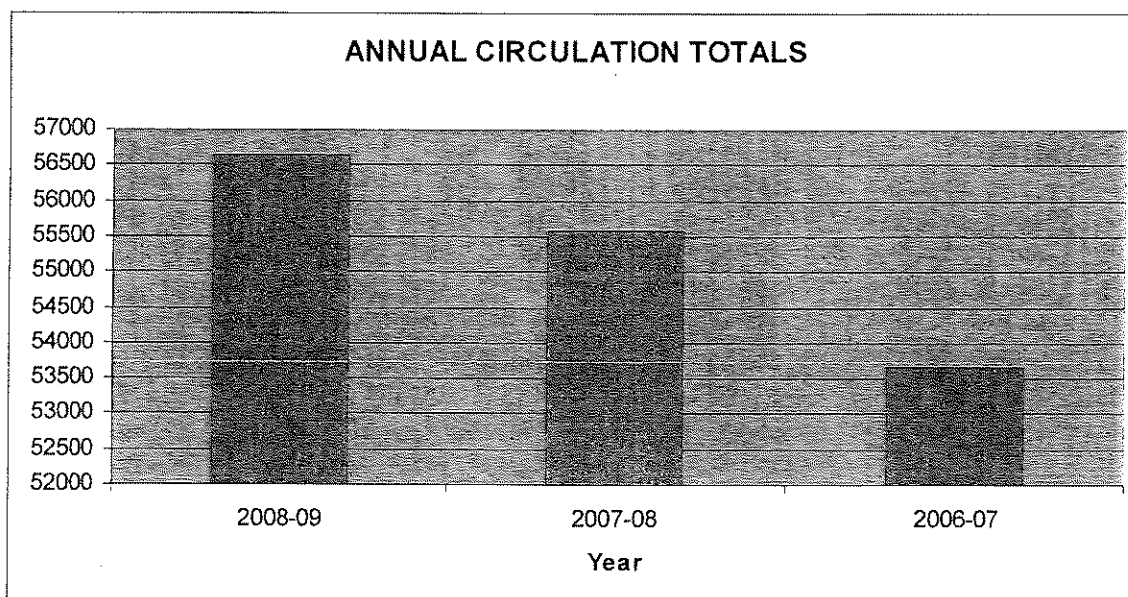
*Phone: 860-379-6043      Fax: 860-379-3621*

*E-Mail: [director@beardsleyandmemorial.org](mailto:director@beardsleyandmemorial.org)*

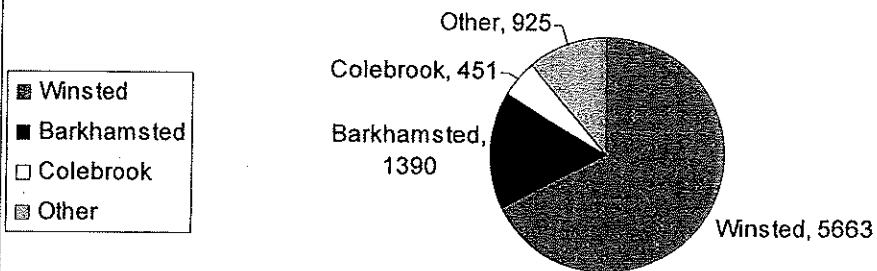
*[www.beardsleyandmemorial.org](http://www.beardsleyandmemorial.org)*

*The mission of the Beardsley & Memorial Library is to enrich the lives of our patrons  
by promoting literacy, lifelong learning and cultural enhancement  
to all generations of our diverse community.*

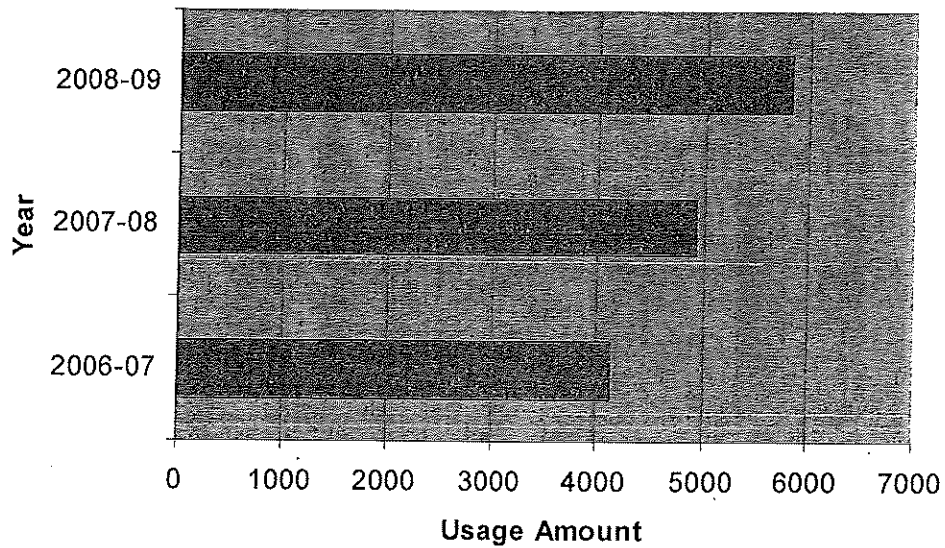
#### *Statistics*



### PATRON REGISTRATION 2008-09



### COMPUTER USAGE



<i>Adult Programs:</i>	Library Sponsored Programs:	82
	Publicly Sponsored Programs:	41
	Total Adult Participation:	778
<i>Interlibrary Loans:</i>	Borrowing From Other Libraries:	496
	Lending to Other Libraries:	520
<i>Children's Programming:</i>	Story Times and Programs	107
	Child Participation:	1206
<i>Teen Programs:</i>	Programs:	75
	Teen Participation:	366
<i>Computer Statistics:</i>	Number of Half-Hour Time Slots Used:	6313
<i>Fax Machine Usage:</i>		1337

### ***Facilities***

- Mountain Laurel bushes were donated and planted by Mr. and Mrs. Edward Dodge, Barkhamsted
- Parking lot lines were painted.
- Basement alarm wiring was rewired. Old fire sensors were replaced.
- Genealogy and Local History Room was repainted by a volunteer.

### ***Professional Memberships and State Programs***

Connecticut Library Consortium  
Connecticut Library Association  
iCONN, Connecticut's Digital Library  
ICONN/ReQuest On-Line Inter Library Loan Program  
Connecticut Library Consortium DVD and Audio Circuits  
Chaired Northwest Connecticut Director's Roundtable  
Connecticut Library Consortium DVD and Audio Circuits  
American Library Association Membership

### ***Grants***

Alcoa Howmet	\$2,000.00
Civic Family Services	\$ 500.00
Community Foundation of NW CT	\$6,500.00
Connecticut State Grant:	\$4,187.00
Connecticard Grant:	\$ 467.00
IBM	\$ 75.00

**Total**

**\$ 13,729.00**

### ***Operations***

- 5230 new books, periodicals, CD and DVDs were purchased by the library.
- Hosted educational, cultural, and seasonal programs.
- Conducted Children's Summer Reading Program. 152 children participated.
- Initiated Teen Advisory Board.
- Maintained Library website, [www.beardsleyandmemorial.org](http://www.beardsleyandmemorial.org) with links to ReQuest and iCONN, the CT Digital Library, Grolier's On-line Americana, Reference USA databases, Ancestry.com, and other electronic resources.
- Celebrated the December Holidays with the Annual Open House and an Amnesty Period for delinquent borrowers.
- Annual audit conducted by Robert E. King and Company CPA.

### ***Technology***

- Purchased new PowerEdge Microsoft Small Business Server with grants from the NW Community Foundation and Alcoa Howmet.
- Purchased charity rate enterprise-wide Microsoft Office licenses for library computers.
- Installed 16 Windows XP computers that were donated by Northwest Community Bank. These replaced Windows 95 and Windows 98 machines.
- New color and black and white printers were installed that allow print release features from the network to be used.
- Installed web-based museum pass software that enables patrons to reserve museum passes from home.
- Evaluated and recommended the purchase of a new microfilm reader/printer to replace our failing machine. Began a fund drive to pay for the new equipment.

### ***Community***

- Governor's Summer Reading Challenge.
- Northwest Connecticut Read Aloud 2009.
- Internal Revenue Service Forms & Reproducible Copies.
- Fall Foliage Festival on Main Street.
- Riverton Fair
- Labor Day Colebrook Fair
- Delivery of Large Print Books and Audio Tapes to Nursing Homes.
- Outreach story hours to area daycares.
- School Summer Reading Lists.
- Provided opportunities to fulfill Community Service requirements.
- Annual Rotary Club Pet Parade.
- Friends of Main Street training class on Reference USA databases for business use
- Presentation to SCORE of business resources in the library

- Presentation to UCONN Torrington genealogy class about Beardsley's genealogy resource room.

### *Professional Development*

- Chaired Northwest Connecticut Director's Roundtable.
- Completed QUICKBOOKS class
- Completed class on creating and evaluating budgets
- Completed class on creating RSS feeds
- Classes on cataloging, internet searching, electronic resources, and collection development were taken by the staff.

There were many changes at the library this year as we attempt to serve the public better than ever before. A broad reader base continues to rely on our diverse collection. Due to the current financial environment, people who used to purchase their own books now come to the library. DVDs and museum passes are heavily used as patrons look for inexpensive entertainment in this challenging economy. Technology improvements allowed us to reach more of our residents through web-enabled resources. Computer use has increased as people look for jobs at the library. The teen activity has increased in programming and in reading. Children's programs continue to be very popular.

We are pleased to be able to serve Barkhamsted, Colebrook, and Winchester in so many important ways.

Sincerely,

Linda Senkus, Library Director  
and the Beardsley and Memorial Library Staff



**FOOTHILLS VISITING NURSE & HOME CARE, INC.  
COLEBROOK TOWN REPORT 2008-2009**

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 care to the residents of Northwest Connecticut for 87 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, CHAP accredited, 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 and Wound Care. Bereavement Programs and Telemonitoring are also provided.

Foothills VNA is very proud to be named to the 2008 HomeCare Elite and identified as one of the TOP 100 Home Care Agencies in the United States. The top 100 are ranked out of 8,222 home care agencies in the country.

Foothills employs 62 people, 95% of whom reside locally in Northwest Connecticut.

Foothills is proud of its long-standing history with the Town of Colebrook.

24 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.

Sixty-nine (69%) 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 and one half days per month for voucher distribution by WIC (Women, Infants and Children) Nutrition Program.

This past year Foothills was able to conduct 8 public and various private flu and pneumonia clinics and administered 2,473 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. Forty-two (42) 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. Ninety-four (94) blood pressures and 5 cholesterol screenings were performed in 2008 - 2009.

Semi-annual preschool Dental Clinics continue to be held at the Agency office. At this clinic a registered dental hygienist cleans teeth and applies fluoride. A nominal \$5.00 donation is suggested. Nineteen (19) children from area towns were seen this past year.

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 2008-2009 were:

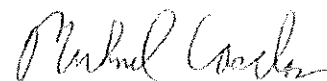
Theodore Vaill (since - 1977 treasurer)

Jan Rathbun (since - 1989 secretary)

Joseph Polidoro, M.D. (since - 2002)

For other-than-full-service towns, Foothills provides therapeutic only services to the towns of Burlington, Canaan, Canton, 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

## LITCHFIELD HILLS COUNCIL OF ELECTED OFFICIALS

The Litchfield Hills Council of Elected Officials is the state-recognized regional planning organization for the eleven-town Litchfield Hills Region. The LHCEO consists of the Mayors and First Selectmen from the member towns of Barkhamsted, Colebrook, Goshen, Hartland, Harwinton, Litchfield, Morris, New Hartford, Norfolk, Torrington, and Winchester. The LHCEO meets regularly to discuss issues of intermunicipal concern, promote regional cooperation, and direct various regional planning activities. Serving as officers this year were Goshen First Selectman Robert Valentine as Chairman, Litchfield First Selectman Leo Paul as Vice Chairman, Hartland First Selectman Wade Cole as Secretary, and Harwinton First Selectman Frank Chiaramonte as Treasurer. The LHCEO is based at the Goshen Town Hall and has two employees.

Major activities of the LHCEO this year included the following:

### 1) Planning and Coordination

A variety of issues of regional significance were discussed at the monthly meetings of the LHCEO including: economic development opportunities (including a meeting with the Commissioner of the CT Department of Economic and Community Development), municipal services sharing, cooperative bidding opportunities, affordable housing, municipal homeland security priorities, elderly transit services, legislative priorities, road improvement projects, energy conservation, municipal solid waste disposal options, and priority regional projects for federal economic stimulus funding. In addition to the LHCEO's regular monthly meetings, several special meetings of the LHCEO were also held to discuss municipal budgeting, legislative priorities, and proposed probate court consolidation.

The LHCEO continued to serve as a Census Data Center and responded to numerous requests for demographic, economic, and housing data. The LHCEO also reviewed and commented on 36 referrals of proposed zoning changes, town plan updates, or development proposals near municipal borders this fiscal year, as required by state statute.

The LHCEO continued to administer the Litchfield Hills Façade Improvement Program this year, which provides a financial incentive for area businesses to improve the exterior appearance of their buildings. Over 200 businesses in the region have benefited from this popular program.

The LHCEO continued to receive funding this year from the CT Office of Emergency Management and Homeland Security to help coordinate the activities of the Northwestern CT/Litchfield Hills Public Safety Task Force. The Task Force was established to provide a broad-based forum for discussing regional domestic preparedness issues and opportunities.

The LHCEO also implemented the "Litchfield Hills Public Works Equipment Cooperative" this year. Under this program, interested area towns can share in the use of selected equipment including a street sweeper and catch basin cleaner.

### 2) Transportation Planning

The LHCEO continued to help administer the region's Rural Collector funding program this year. Barkhamsted is the most recent recipient of this funding with a

planned improvement of Robertsville Road. The LHCEO receives an annual allocation of \$245,000 from ConnDOT for this local road improvement program.

The LHCEO provided an important forum this year for defining priority local transportation projects to be undertaken with federal economic stimulus funding.

A meeting of the Litchfield Hills Road Foreman Association was held this year to discuss the potential use of asphalt recyclers, local experience with road de-icing products, and to refine procedures for the Litchfield Hills Public Works Equipment Cooperative. A ribbon-cutting ceremony was held to kick-off the use of the street sweepers and catch basin cleaner purchased under this innovative program.

The LHCEO also continued its active support this year for federal and state funding to build a new transit center for the Northwestern CT Transit District.

### 3) Recycling and Household Hazardous Waste

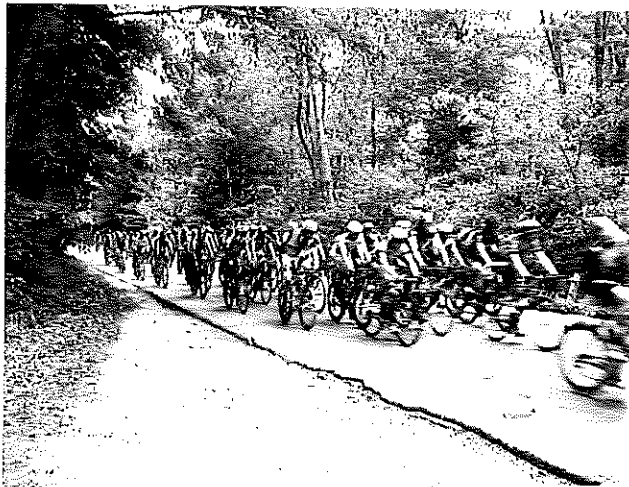
In cooperation with the Northwestern Connecticut Council of Governments, the LHCEO continued to coordinate meetings of the "Litchfield Hills/Northwestern Connecticut Recycling Advisory Committee". This Committee oversees the regional recycling program and coordinates the scheduling of household hazardous waste collection days in the regional area. Two successful household hazardous waste collection days were held this year for area residents, along with two electronics collection days sponsored in cooperation with the Connecticut Resources Recovery Authority.

Respectfully submitted,

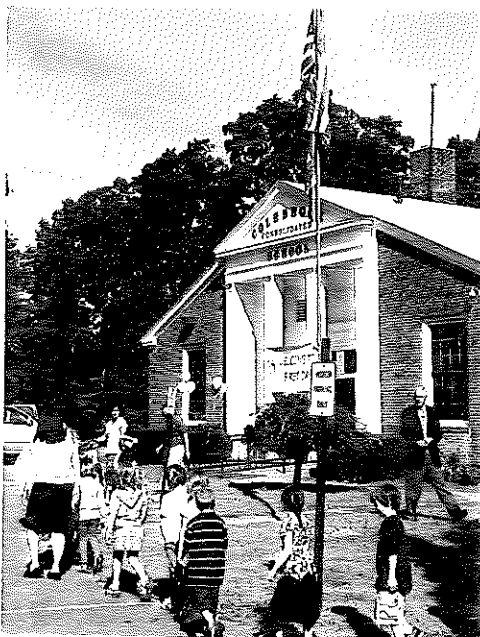
Richard Lynn, AICP  
Planning Director



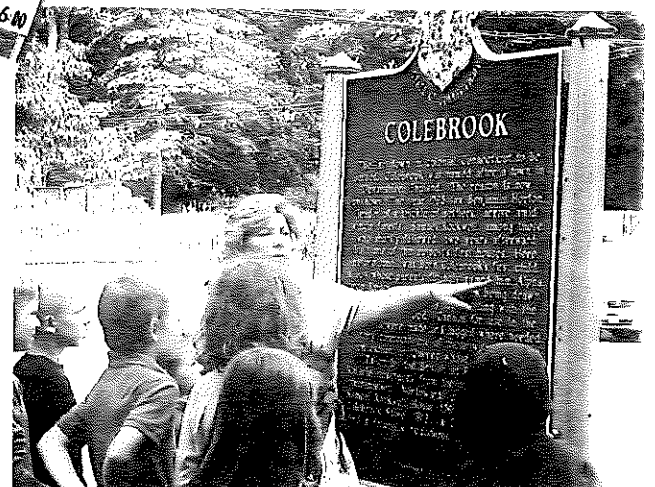
**COLEBROOK**  
**FAIR**  
**SATURDAY**  
**OF LABOR DAY WEEKEND**  
**ON THE CHURCH GREEN**  
**AUCTION 12 NOON**  
**PET SHOW & FROG JUMPING**  
**CONTEST 10 AM**  
**COLEBROOK ASSOCIATES**



**COLEBROOK**  
**CLEAN-UP**  
**DAY**  
**APR 18**



**PASTA DINNER**  
**Colebrook School**  
**Thurs. Sept. 25<sup>th</sup>**  
**Seatings: 4:30, 5:15, 6:00**



**TOWN OF COLEBROOK**  
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# Robert E. King & Co., P.C.

*Certified Public Accountants*  
*We Serve Businesses, Individuals, Nonprofits and Governments*

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*Connecticut Society of*  
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Winsted, CT 06098

Telephone: (860) 379-0215  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Finance of  
Town of Colebrook, Connecticut

We have audited the accompanying financial statements of the governmental activities, its major fund, and the aggregate remaining fund information of the Town of Colebrook, CT, as of and for the year ended June 30, 2008, which collectively comprise the Town of Colebrook, CT's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Colebrook, CT's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Town of Colebrook, CT's 2007 financial statements and, in our report dated November 27, 2007, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, its major fund, and the aggregate remaining fund information of the Town of Colebrook, CT, as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 15, 2009 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing results of our audit.

The management's discussion and analysis on pages 3 through 9 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally



accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of supplementary information. However, we did not audit the information and express no opinion on it.

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, statistical section, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

*Robert E. King & Co., P.C.*

Robert E. King & Co., P.C.

January 15, 2009

**TOWN OF COLEBROOK**  
Management's Discussion and Analysis  
June 30, 2008

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, 2008.

**Financial Highlights**

- The assets of the Town of Colebrook, CT exceeded its liabilities at the close of the most recent fiscal year by \$6,451,283 (net assets). Of this amount, \$2,325,049 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors. The Capital Projects fund had Restricted Net Assets that amounted to \$3,258. The remainder of the government's net assets 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 \$1,905,490, a decrease of \$157,263 in comparison with the prior year and attributable chiefly to various revenues being lower than initially anticipated. Of this amount, \$1,426,816 is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$1,211,872 or 21% percent of total General Fund expenditures. This fund balance represents the Town's reserve for future capital projects, as all assets of the capital projects fund have been obligated to finance current projects.

**Overview of the Financial Statements**

This discussion and analysis 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 assets* presents information on all of the Town of Colebrook, CT's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets are changed during the most recent fiscal year. All changes in net assets 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 10-11 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of

**TOWN OF COLEBROOK**  
Management's Discussion and Analysis  
June 30, 2008

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 12-15 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 16-17 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 18-30 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets 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 \$6,451,283 at the close of the most recent fiscal year.

**TOWN OF COLEBROOK**  
Management's Discussion and Analysis  
June 30, 2008

	<u>2008</u>	<u>2007</u>
Current and Other Assets	\$ 2,361,327	\$ 2,462,459
Noncurrent Assets	71,866	93,870
Capital Assets	<u>5,206,391</u>	<u>5,194,782</u>
Total Assets	<u>7,639,584</u>	<u>7,751,111</u>
Other Liabilities	104,886	100,852
Long-Term Liabilities Outstanding	<u>1,083,415</u>	<u>1,219,100</u>
Total Liabilities	<u>1,188,301</u>	<u>1,319,952</u>
Net Assets:		
Invested in capital assets, net of related debt	4,122,976	3,975,682
Restricted	3,258	2,160
Unrestricted	<u>2,325,049</u>	<u>2,453,317</u>
Total Net Assets	<u>\$ 6,451,283</u>	<u>\$ 6,431,159</u>

The reserved portion of the Town of Colebrook, CT's net assets represents net assets restricted for capital projects. The balance of *unrestricted net assets* (\$2,325,049) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Colebrook, CT is able to report that all categories of net assets increased by \$20,124 during this fiscal year. This increase is primarily attributable to:

- Inclusion of the Senior & Community Center and Post Office buildings as Town capital assets as well as the purchase of a new Highway Department vehicle.
- Continuing design work on the Bunnell Street Bridge.
- Decline in interest expense as the Town continues to work down long-term debt. The decline in outstanding long-term debt also resulted in an overall decline in total liabilities.

**TOWN OF COLEBROOK**  
**Management's Discussion and Analysis**  
June 30, 2008

	<u>2008</u>	<u>2007</u>
<b>Revenues:</b>		
<i>General Revenues:</i>		
Property Taxes	\$ 4,301,960	\$ 4,138,269
Unrestricted Investment Income	96,332	130,277
Grants and Contributions	42,164	50,884
Other Income	40,918	6,395
<i>Program Revenues:</i>		
Charges for Services	124,589	124,775
Operating Grants and Contributions	1,256,772	718,858
Capital Grants and Contributions	91,227	296,539
<b>Total Revenues</b>	<u><b>5,953,962</b></u>	<u><b>5,465,997</b></u>
<b>Expenditures:</b>		
<i>Governmental Activities:</i>		
General Government	649,269	578,845
Public Safety	146,389	153,348
Public Works	600,272	599,831
Sanitation	198,877	208,772
Health and Welfare	99,411	85,111
Education	4,191,581	3,523,739
Other	48,039	35,771
<b>Total Expenses</b>	<u><b>5,933,838</b></u>	<u><b>5,185,417</b></u>
<i>Change in Net Assets</i>	<i>20,124</i>	<i>280,580</i>
Beginning Net Assets (as restated)	6,431,159	6,150,579
<b>Ending Net Assets</b>	<u><b>\$ 6,451,283</b></u>	<u><b>\$ 6,431,159</b></u>

Governmental activities. Governmental activities increased the Town of Colebrook, CT's net assets by \$20,124.

Key elements of the activities are as follows:

Seventy-two percent (72%) of the revenues of the Town were derived from property taxes, followed by twenty-four percent (24%) from grants and contributions, followed by two percent (2%) from investment and other income, followed by two percent (2%) from charges for services.

Major revenue factors included:

- Property tax revenue exceeded budget by 1.8% due to aggressive collection of prior year taxes and the associated interest.
- Total intergovernmental revenues exceeded Town estimates, including ECS funding, town aid for roads, telecommunications property taxes, and Mashantucket Pequot funds. FEMA reimbursement for Sandy Brook Road repair work, unanticipated settlement monies related to the CRRRA Class Action suit, and a Special Education grant also contributed to stronger revenue performance.
- A transfer from General Fund Fund Balance was used to finance 5% of the Town's total budget.

For Governmental Activities, 71% of the Town's expenses relate to education and repayment of long-term debt for school construction, 4% relates to public safety and health and welfare, more than 10% relate to public works, and the remaining 15% relates to government, community services, administration and other areas.

**TOWN OF COLEBROOK**  
Management's Discussion and Analysis  
June 30, 2008

Major expense factors include:

- Winter maintenance expenses exceeded budget due to an unprecedented number of winter weather events.
- The continued rise in energy and material costs impacted decisions regarding road repair and maintenance, and drove utility costs higher. Town Hall utility expenses also increased because of the expiration of a CL&P credit.
- Finalization of the new zoning regulations increased Land Use costs.
- Election expenses exceeded budget due to the increased costs associated with the new voting machines.

#### **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, *unreserved 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 \$1,905,490, a decrease of \$157,263 in comparison with the prior year. Ninety-five (95%) of this total amount constitutes *unreserved 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, unreserved fund balance of the General Fund was \$1,211,872, which was the total fund balance. This represents a decrease of (\$230,060), mostly comprised of a decrease in property tax collections and receipt of state and federal grants.

As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents twenty-one percent (21%) of total General Fund expenditures.

#### **General Fund Budgetary Highlights**

- Revenues exceeded budget by 2.5%, more than offsetting an unbudgeted 1.9% increase in expenditures, and resulted in a smaller decline in Fund Balance than had been approved.
- Aggressive collection of prior year taxes, reimbursement from FEMA for work completed on Sandy Brook Road, and settlement of the Class Action against CRRA all contributed to stronger revenues.
- Interest income, which has been a significant contributor to revenue in prior years, declined nearly 30% from the prior year due primarily to falling interest rates and, secondarily, to use of Fund Balance to support the budget.
- Winter maintenance expenses were significantly over budget due to the 41 winter storms that impacted the area. Fuel and lubricant expenses, as well as elections expense were greater than anticipated. Finalization of the new zoning regulations produced overages in Planning & Zoning expenses, as well as salary paid to the Land Use Secretary.
- A 63% savings in road maintenance expenses, plus significant savings in recycling, Recreation Board, Town Secretary, tree removal, insurance, and Board of Assessors expenses helped mitigate the effects of higher costs in other budgeted line items.

**TOWN OF COLEBROOK**  
Management's Discussion and Analysis  
June 30, 2008

- Cemetery maintenance expenses were higher than budgeted. However, 74% of total cemetery expenses were reimbursed by the Cemetery Fund.
- A \$19,000 supplemental appropriation was made to the budget for the Colebrook Consolidated School to support Special Education needs. The Town received 57% reimbursement from the State for this unanticipated expense.

**Capital Projects Fund Highlights**

- Total assets of the Capital Projects Fund increased, with Fund revenues exceeding Fund expenses. However, interest income declined 13% from the prior year due to downward pressure on interest rates.
- Major capital projects, including the purchase of a new Town truck, replacement of the Center Fire House boiler, computers for the Colebrook Consolidated School, Town Hall PC/software upgrades, and electrical work at the Colebrook Historical Society, were completed in line with budget. The Town received 80% reimbursement through the Federal Bridge Program for the Bunnell Street Bridge design work.
- State reimbursement for the FY '06-07 replacement of the oil tank at the Colebrook Consolidated School was received in the current fiscal year.
- Intergovernmental revenues to the Capital Projects Fund declined 30.2% from the prior year due to reduced grant-related capital projects activity.

**Other Fund Highlights**

- Post Office Fund rent revenue and interest income more than offset that Fund's debt expense.

**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, 2008, amounts to \$4,122,976 (net of accumulated depreciation and related debt). This investment in capital assets includes land and buildings, vehicles, machinery and equipment.

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

- Highway Vehicle purchase - \$123,435
- School Computers/Technology - \$38,957
- Town Offices PC/Software Upgrades - \$18,908
- Center Fire House Boiler Replacement - \$14,859

	<u>2008</u>	<u>2007</u>
Land and Infrastructure	\$ 1,161,715	\$ 1,210,009
Construction in Progress	205,839	122,872
Buildings and Improvements	3,222,660	3,321,975
Vehicles	414,259	366,991
Machinery and equipment	201,918	172,935
Total	<u>\$ 5,206,391</u>	<u>\$ 5,194,782</u>

Additional information on the Town of Colebrook, CT's capital assets can be found in Note 4 on page 26 of this report.

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

**TOWN OF COLEBROOK**  
Management's Discussion and Analysis  
June 30, 2008

	<u>2008</u>	<u>2007</u>
General Obligation Bonds	\$ 1,025,000	\$ 1,150,000
Notes Payable	<u>58,415</u>	<u>69,100</u>
Total	<u>\$ 1,083,415</u>	<u>\$ 1,219,100</u>

Additional information on the Town of Colebrook, CT's long-term debt can be found in Note 6 on pages 28-29 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 2008-2009 fiscal year.

- Interest income across all Town funds will be negatively affected if downward pressure on short-term interest rates continues.
- The housing crisis, and growing concerns about its effect on the overall economy, may result in reduced building permit and conveyance tax revenues. Property tax revenue could also be affected should economic weakness materialize.
- Special education cost increases cannot be predicted.
- Unpredictable swings in energy prices will impact Town utility, fuel, and road material and maintenance budgets.
- Unforeseen changes in State and Federal funding could impact decisions related to major capital projects, including bridge replacements, road repairs, and future maintenance and improvements to the Colebrook Consolidated School.

#### **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

## Statements of Net Assets

June 30, 2008 and 2007

	<b>Governmental Activities</b>	
<b>Assets</b>	<u>2008</u>	<u>2007</u>
<i>Current Assets:</i>		
Cash and Cash Equivalents	\$ 1,988,064	\$ 2,087,564
State and Federal Grants Receivable	3,090	58,390
Taxes Receivable	171,202	200,325
Interest Receivable	194,628	111,352
Other Receivables	3,663	4,208
Other Current Assets	680	620
Total Current Assets	<u>2,361,327</u>	<u>2,462,459</u>
<i>Noncurrent Assets:</i>		
State and Federal Grants Receivable	71,866	93,870
Capital Assets:		
Nondepreciable	459,363	376,396
Depreciable Buildings and Equipment, net	4,747,028	4,818,386
Total Assets	<u>7,639,584</u>	<u>7,751,111</u>
 <b>Liabilities</b>		
<i>Current Liabilities:</i>		
Accounts Payable	84,413	89,294
Accrued Payroll	11,874	7,154
Deferred Revenue	3,018	3,018
Due to Others	3,741	-
Due to State of Connecticut	1,840	1,386
Total Current Liabilities	<u>104,886</u>	<u>100,852</u>
<i>Noncurrent Liabilities</i>		
Due within One Year	135,685	135,685
Due in More than One Year	947,730	1,083,415
Total Noncurrent Liabilities	<u>1,083,415</u>	<u>1,219,100</u>
Total Liabilities	<u>1,188,301</u>	<u>1,319,952</u>
 <b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	4,122,976	3,975,682
Restricted	3,258	2,160
Unrestricted	2,325,049	2,453,317
Total Net Assets	<u>6,451,283</u>	<u>6,431,159</u>

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

# TOWN OF COLEBROOK

## Statement of Activities

For the Year Ended June 30, 2008  
(With Comparative Totals for June 30, 2007)

Functions/Programs	Program Revenues				Net (expense)/revenue and changes in net assets	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Primary Government	Governmental Activities
	Expenses				2008	2007
Primary Government:						
Governmental Activities						
General Government	\$ 649,269	\$ 85,646	\$ 7,000	\$ -	\$ (556,623)	\$ (329,045)
Public Safety	146,389	3,018	-	-	(143,371)	(142,407)
Highways	600,272	-	154,025	-	(377,789)	(435,807)
Sanitation	198,877	-	-	68,458	(198,877)	(208,772)
Health and Welfare	99,411	2,100	12,196	-	(85,115)	31,513
Education	4,191,581	33,825	1,083,551	22,769	(3,051,436)	(2,924,956)
Other	48,039	-	-	-	(48,039)	(35,771)
Total Governmental Activities	5,933,838	124,589	1,256,772	91,227	(4,461,250)	(4,045,245)
Total Primary Government	\$ 5,933,838	\$ 124,589	\$ 1,256,772	\$ 91,227		

### General Revenues:

Property Taxes Levied for General Purposes	4,301,960	4,138,269
Unrestricted Investment Income	96,332	130,277
Grants and Contributions Not Restricted to Specific Purpose	42,164	50,884
Other Income	40,918	6,395
Total General Revenues	4,481,374	4,325,825
Change in Net Assets	20,124	280,580
Net Assets - Beginning (as restated)	6,431,159	6,150,579
Net Assets - Ending	\$ 6,451,283	\$ 6,431,159

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

**TOWN OF COLEBROOK**  
 Balance Sheet  
 Governmental Funds  
 June 30, 2008  
 (With Comparative Totals for June 30, 2007)

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds	
				2008	2007
<b>Assets</b>					
Cash and Cash Equivalents	\$ 1,282,301	\$ 586,026	\$ 119,737	\$ 1,988,064	\$ 2,087,564
Taxes Receivable	171,202	-	-	171,202	200,325
State and Federal Grants Receivable	1,692	-	1,398	3,090	58,390
Other Receivables	3,663	-	-	3,663	4,208
Interfund Receivables	8,292	-	2,287	10,579	11,997
Prepaid Expenses	60	-	-	60	-
Inventory	-	-	620	620	620
<b>Total Assets</b>	<u>\$ 1,467,210</u>	<u>\$ 586,026</u>	<u>\$ 124,042</u>	<u>\$ 2,177,278</u>	<u>\$ 2,363,104</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts Payable	81,113	3,300	-	84,413	89,294
Accrued Payroll	11,874	-	-	11,874	7,154
Due to State of Connecticut	-	-	1,840	1,840	1,386
Due to Others	3,741	-	-	3,741	-
Interfund Payables	2,287	-	8,292	10,579	11,997
Deferred Revenue-Taxes/Grants	156,323	-	3,018	159,341	190,520
<b>Total Liabilities</b>	<u>255,338</u>	<u>3,300</u>	<u>13,150</u>	<u>271,788</u>	<u>300,351</u>
<b>Fund Balance:</b>					
Reserved	-	-	86,677	86,677	88,446
<b>Unreserved:</b>					
Undesignated	1,153,772	190,729	-	1,344,501	1,608,722
Designated for Subsequent Year's Budget	58,100	-	-	58,100	-
Designated for Capital Improvements	-	391,997	-	391,997	339,283
<b>Unreserved Reported in Nonmajor Funds:</b>					
Special Revenue	-	-	24,215	24,215	26,302
Capital Projects	-	-	-	-	-
<b>Total Fund Balance</b>	<u>1,211,872</u>	<u>582,726</u>	<u>110,892</u>	<u>1,905,490</u>	<u>2,062,753</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,467,210</u>	<u>\$ 586,026</u>	<u>\$ 124,042</u>	<u>\$ 2,177,278</u>	<u>\$ 2,363,104</u>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,206,391
Deferred revenue for property taxes are reported in the funds but accrued as revenue in the government-wide statements and added to net assets.	156,323
The governmental fund Balance Sheet includes revenues that will only be available to pay current period liabilities. Adjustments are necessary to accrue receivables of all earned revenues.	266,494
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(1,083,415)
<b>Net assets of governmental activities</b>	<u>\$ 6,451,283</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, 2008  
(With Comparative Totals for June 30, 2007)

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds	
				2008	2007
<b>Revenues:</b>					
Taxes	\$4,249,863	\$ -	\$ -	\$ 4,249,863	\$4,145,793
Investment Income	69,017	23,383	3,932	96,332	130,277
Fees and Charges	85,214	1,098	39,375	125,687	126,119
Intergovernmental Revenue	1,292,929	83,589	34,551	1,411,069	926,541
Other	32,478	-	8,440	40,918	6,395
Total Revenues	<u>5,729,501</u>	<u>108,070</u>	<u>86,298</u>	<u>5,923,869</u>	<u>5,335,125</u>
<b>Expenditures:</b>					
Current					
General Government	494,139	-	12,171	506,310	494,590
Public Safety	67,410	-	3,652	71,062	67,336
Highways	541,871	-	-	541,871	433,220
Senior Center	56,790	-	-	56,790	43,928
Health and Welfare	33,069	-	150	33,219	31,781
Miscellaneous	48,039	-	-	48,039	35,771
Sanitation	198,877	-	-	198,877	208,772
Education	4,056,429	-	63,528	4,119,957	3,468,211
Debt Service	194,937	-	3,653	198,590	206,970
Capital Outlay	-	306,417	-	306,417	448,229
Total Expenditures	<u>5,691,561</u>	<u>306,417</u>	<u>83,154</u>	<u>6,081,132</u>	<u>5,438,808</u>
Excess/(Deficiency) of Revenues Over Expenditures	37,940	(198,347)	3,144	(157,263)	(103,683)
<b>Other Financing Sources/(Uses):</b>					
Operating transfers out	(275,000)	-	(7,000)	(282,000)	(280,861)
Operating transfers in	7,000	275,000	-	282,000	280,861
Total other Financing Sources/(Uses)	<u>(268,000)</u>	<u>275,000</u>	<u>(7,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(230,060)	76,653	(3,856)	(157,263)	(103,683)
Fund Balance at Beginning of Year	1,441,932	506,073	114,748	2,062,753	2,166,436
Fund Balance End of Year	<u>\$ 1,211,872</u>	<u>\$ 582,726</u>	<u>\$ 110,892</u>	<u>\$ 1,905,490</u>	<u>\$ 2,062,753</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, 2008

Net Change in Fund Balances - Total Governmental Funds	\$ (157,263)
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

<i>Capital expenditures</i>	289,577
<i>Depreciation expense</i>	(277,968)

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 Assets and as deferred revenue in the fund Balance Sheet.

<i>Deferred tax revenue</i>	(31,179)
-----------------------------	----------

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

<i>General Obligation Bond principal payments</i>	125,000
<i>Notes Payable principal payments</i>	10,685

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

<i>Current portion of long-term grant receivable</i>	(22,004)
<i>Net change in interest receivable</i>	<u>83,276</u>

Change in net assets of governmental activities.	<u>\$ 20,124</u>
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**TOWN OF COLEBROOK**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended June 30, 2008

	Original <u>Budget</u>	Amended <u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
<b>Revenues:</b>				
Taxes	\$ 4,171,122	\$ 4,171,122	\$ 4,247,806	\$ 76,684
Investment Income	97,084	97,084	69,017	(28,067)
Fees and Charges	60,000	60,000	66,003	6,003
Intergovernmental Revenue	699,510	699,510	753,466	53,956
Other	16,330	16,330	39,478	23,148
Appropriated from Surplus	237,500	256,700	223,225	(33,475)
Total Revenues	<u>5,281,546</u>	<u>5,300,746</u>	<u>5,398,995</u>	<u>98,249</u>
<b>Expenditures:</b>				
General Government	443,875	450,657	450,657	-
Public Safety	68,566	67,410	67,410	-
Highways	429,700	434,029	461,572	(27,543)
Town Hall Expenditures	37,000	43,482	43,482	-
Senior Center Expenditures	52,792	56,790	56,790	-
Health and Welfare	32,949	33,069	33,069	-
Miscellaneous	44,471	48,039	48,039	-
Refuse Disposal	223,000	198,877	198,877	-
Debt Service	198,566	198,566	194,937	3,629
Other Expenditures	-	-	81,607	(81,607)
Education	3,475,627	3,494,827	3,487,555	7,272
Capital Outlay	275,000	275,000	275,000	-
Total Expenditures	<u>5,281,546</u>	<u>5,300,746</u>	<u>5,398,995</u>	<u>(98,249)</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**TOWN OF COLEBROOK**  
Fiduciary Funds  
Statement of Fiduciary Net Assets  
For the Year Ended June 30, 2008  
(With Comparative Totals for June 30, 2007)

	Pension Trust Fund	Agency Funds	Totals	
			<u>2008</u>	<u>2007</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ -	\$ 53,045	\$ 53,045	\$ 45,246
Other Receivables	-	-	-	200
Investments	<u>113,842</u>	<u>-</u>	<u>113,842</u>	<u>152,007</u>
Total Assets	<u>113,842</u>	<u>53,045</u>	<u>166,887</u>	<u>197,453</u>
<b>Liabilities</b>				
Due to Beneficiaries	-	46,165	46,165	40,791
Due to Others	<u>-</u>	<u>6,880</u>	<u>6,880</u>	<u>4,655</u>
Total Liabilities	<u>-</u>	<u>53,045</u>	<u>53,045</u>	<u>45,446</u>
<b>Net Assets</b>				
Held in Trust for Pension Benefits	<u>113,842</u>	<u>-</u>	<u>113,842</u>	<u>152,007</u>
Total Net Assets	<u>\$ 113,842</u>	<u>\$ -</u>	<u>\$ 113,842</u>	<u>\$ 152,007</u>

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

**TOWN OF COLEBROOK**  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Years Ended June 30, 2008 and 2007

	Pension Trust Fund	
	<u>2008</u>	<u>2007</u>
<b>Additions</b>		
Contributions	\$ 10,246	\$ 10,106
Investment Income	(8,174)	30,875
Total Additions	<u>2,072</u>	<u>40,981</u>
 <b>Deductions</b>		
General Government	<u>40,237</u>	<u>117,160</u>
Total Deductions	<u>40,237</u>	<u>117,160</u>
 Change in Net Assets	(38,165)	(76,179)
 Net Assets - Beginning	<u>152,007</u>	<u>228,186</u>
Net Assets - Ending	<u>\$ 113,842</u>	<u>\$ 152,007</u>

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



# Robert E. King & Co., P.C.

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## **TOWN OF COLEBROOK, CT** **Notes to the Financial Statements** **For the Year Ended June 30, 2008**

### **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.

**TOWN OF COLEBROOK**  
Notes to the Financial Statements  
June 30, 2008

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.

**Connecticut Teachers' Retirement Board** – The State administers the pension plan for teachers. The Town does not make contributions to the teachers' plan nor does it exercise any control.

**Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net assets 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.

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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 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.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Boards.

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.

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.

**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, and Net Assets 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

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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 Grant List for all taxable property located in the Town. Taxes are due and payable in two installments on July 1 and January 1 for real property and personal property, and on July 1 for motor vehicles. Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through September 30 and are payable in one installment due January 1. The Town files liens against property if taxes, which are due July 1, remain unpaid on the following February 1.

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

*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

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*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 assets. 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* – In the fund financial statements, the unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved balances for governmental funds represent the amount that has been legally identified for specific purposes. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, the restricted fund balances for governmental funds represent amounts restricted by state statute to be used for capital projects.

## **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.
- The General Fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for certain interfund transfers and timing of recording of taxes.
- 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

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June 30, 2008

budget. The major differences between budget and GAAP basis are that property taxes are recorded as revenues when received (budget) rather than available (GAAP) 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:

*Entity differences:* Include recognition of On-Behalf payments made by the Connecticut Teachers Retirement Board.

*Basis Differences:* Include reclassifications of interfund transfers, budgetary use of fund balance, and GAAP adjustments to property taxes.

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources/(Uses)</u>	<u>Net Change</u>
Balance, Budgetary Basis	\$ 5,398,995	\$ 5,398,995	\$ -	\$ -
Revenue Adjustments for:				
Property Taxes Available	2,057	-	-	2,057
Fees & Charges	(3,516)	-	-	(3,516)
Other Revenues	562,190	-	-	562,190
Appropriated from Surplus	(223,225)	-	-	(223,225)
Transfers In	(7,000)	-	7,000	-
Expenditure Adjustments for:				
Transfers Out	-	(275,000)	(275,000)	-
Other Expenditures	-	567,566	-	(567,566)
Balance, GAAP Basis	<u>\$ 5,729,501</u>	<u>\$ 5,691,561</u>	<u>\$ (268,000)</u>	<u>\$ (230,060)</u>

#### **Excess of Expenditures Over Appropriations**

For the year ended June 30, 2008, expenditures exceeded appropriations in the Highway Department by \$27,543 and the Other Expenditures Department by \$81,607. These amounts were funded through amounts appropriated from surplus.

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

**TOWN OF COLEBROOK**  
Notes to the Financial Statements  
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**NOTE 3 – CASH EQUIVALENTS, INVESTMENTS, AND RECEIVABLES**

**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, 2008 and 2007:

	Governmental Funds	Fiduciary Funds	Totals	
			2008	2007
Demand Accounts	\$ 473,609	\$ 30,754	\$ 504,363	\$ 339,632
Sub Total	473,609	30,754	504,363	339,632
Short Term Investment Fund	1,334,461	-	1,334,461	1,541,834
MBIA CLASS Fund	179,750	22,291	202,041	250,915
Money Market Fund	-	-	-	201
Other Cash Equivalents	244	-	244	228
Total Cash and Cash Equivalents	\$ 1,988,064	\$ 53,045	\$ 2,041,109	\$ 2,132,810

**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 \$504,363 and the bank balance was \$486,329. Of the bank balance, Federal Depository Insurance Corporation covered \$132,242. As of June 30, 2008, \$354,087 of the Town's demand bank balance of \$486,329 was exposed to custodial credit risk as follows:

	<u>Demand Accounts</u>
Uninsured and uncollateralized	\$ 308,678
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	45,409
Total	<u>\$ 354,087</u>

*Investments:* In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Trust funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee.

**TOWN OF COLEBROOK**  
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June 30, 2008

**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 is a Standard & Poor's AAAM rated investment pool of high-quality, short term money market instruments managed by the Cash Management Division of the State Treasurer's Office. Credit ratings were not available for the Town's other investments.

**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>2008</u>	<u>2007</u>
Cash Equivalents	\$ 51,473	\$ -
Mutual Funds	3,886	35,281
Flexible Annuities	<u>58,483</u>	<u>116,726</u>
Total	<u>\$113,842</u>	<u>\$152,007</u>

**Receivables**

Receivables as of year-end for the town's individual major funds and non-major funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General	Non-major	<u>Totals</u>	
	<u>Fund</u>	<u>Funds</u>	<u>2008</u>	<u>2007</u>
Property Taxes *	\$ 171,202	\$ -	\$ 171,202	\$ 200,325
Grants Receivable	1,692	1,398	3,090	58,390
Interest Receivable	194,628	-	194,628	111,352
Other Receivables	<u>3,463</u>	<u>-</u>	<u>3,463</u>	<u>4,208</u>
Net Total Receivables	<u>\$ 370,985</u>	<u>\$ 1,398</u>	<u>\$ 372,383</u>	<u>\$ 374,275</u>

\*Property taxes receivable are shown net of \$5,000 allowance for uncollectible accounts.

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>2008</u>	<u>2007</u>
Deferred Property Taxes	\$156,323	\$187,502
Deferred Grant Revenue	3,018	3,018

Government-wide financial statements include receivables that will not provide current financial resources. These additional assets include interest receivable of \$194,628 and a long-term grant receivable of \$71,866.



**TOWN OF COLEBROOK**  
Notes to the Financial Statements  
June 30, 2008

**NOTE 4 – GENERAL FIXED ASSETS**

The following is a summary of net changes in fixed assets for the fiscal year ending June 30, 2008:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 253,524	\$ -	\$ -	\$ 253,524
Construction in Progress	122,872	82,967	-	205,839
Total capital assets, not being depreciated	<u>376,396</u>	<u>82,967</u>	<u>-</u>	<u>459,363</u>
Capital assets, being depreciated:				
Buildings & Improvements	4,662,117	7,659	-	4,669,776
Infrastructure	965,882	-	-	965,882
Vehicles	1,259,289	123,435	203,841	1,178,883
Machinery and Equipment	421,369	75,516	-	496,885
Total capital assets being depreciated	<u>7,308,657</u>	<u>206,610</u>	<u>203,841</u>	<u>7,311,426</u>
Less accumulated depreciation for:				
Buildings & Improvements	1,340,142	106,974	-	1,447,116
Infrastructure	9,397	48,294	-	57,691
Vehicles	892,298	76,167	203,841	764,624
Machinery and Equipment	248,434	46,533	-	294,967
Total accumulated depreciation	<u>2,490,271</u>	<u>277,968</u>	<u>203,841</u>	<u>2,564,398</u>
Total capital assets, being depreciated, net	<u>4,818,386</u>	<u>(71,358)</u>	<u>-</u>	<u>4,747,028</u>
Governmental activities capital assets, net	<u>\$ 5,194,782</u>	<u>\$ 11,609</u>	<u>\$ -</u>	<u>\$ 5,206,391</u>

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

Governmental Activities:	<u>2008</u>	<u>2007</u>
General Government	\$ 107,119	\$ 52,906
Public Works	54,814	54,875
Public Safety	62,043	64,060
Health and Welfare	9,402	9,402
Education	44,590	36,816
Total Depreciation Expense	<u>\$ 277,968</u>	<u>\$ 218,059</u>

**NOTE 5 – PENSION PLANS**

**Connecticut State Teacher's Retirement System**

Certified teachers in the Town of Colebrook, CT are eligible to participate in the State of Connecticut's Teacher's Retirement System, a multiple-employer, and an employer's noncontributory public employee's retirement system. A member who completes 10 years of Connecticut public

**TOWN OF COLEBROOK**  
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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, 2008 for all participating local governments was \$2,518,560,263.

The amount of the contribution allocable to the Town was estimated to be \$55,061, and has been recognized as a government grant and an education expenditure in the General Fund. For the year ended June 30, 2008, teachers for the Town of Colebrook, CT contributed \$562,190 to the plan. The Town does not contribute to the system nor does it have any legal obligation for benefits. The Board of Education payroll is \$1,012,616 and the current covered payroll is \$760,684.

**Town Employees**

The Town of Colebrook, CT 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 1,800 hours during the plan year, and who is actively employed as of the annual plan valuation date.

At July 1, 2008, there were 7 plan members. 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. Any participant who is age 50 or older, could be eligible for a "catch-up" contribution of \$5,000 in 2007-2008. Income accumulated tax-free until distribution from the plan.

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 \$10,246, and there were benefit payouts this year which totaled \$40,237. There were no participant contributions for the year.

At June 30, 2008, membership in the Plan consisted of:

Current employees:

Fully or partially vested	
Town	4
Board of Education	2
Nonvested	2
Terminated	
Town	0
Total	8

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.

**TOWN OF COLEBROOK**  
Notes to the Financial Statements  
June 30, 2008

Plan provisions and contribution requirements are established and may be amended by the Town of Colebrook, CT.

**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 – LONG-TERM OBLIGATIONS**

**Long-Term Obligation Activity**

General Obligation Bonds are direct obligations and pledge the full faith and credit of the town. The funds were used 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.

Changes in long-term obligations for the year ended June 30, 2008, are as follows:

	Interest Rate	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>					
91 General Obligation Bond	7.0%-7.7%	\$ 300,000	\$ -	\$ 75,000	\$ 225,000
03 General Obligation Bond	4.25%	850,000	-	50,000	800,000
Millbrook Loan	6.00%	49,100	-	8,185	40,915
Post Office Loan	5.125%	20,000	-	2,500	17,500
Total		<u>\$ 1,219,100</u>	<u>\$ -</u>	<u>\$ 135,685</u>	<u>\$ 1,083,415</u>

**Current Portion of Long-Term Debt**

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

1991 G. O. Bond	\$ 75,000
2003 G. O. Bond	50,000
Notes Payable	10,685
Total	<u>\$ 135,685</u>

**TOWN OF COLEBROOK**  
Notes to the Financial Statements  
June 30, 2008

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

<b>Governmental Activities:</b>	<u>2008</u>	<u>2007</u>
General Government	\$ 37,278	\$ 39,531
Highway Dept.	2,602	3,098
Public Safety	6,907	8,595
Education	16,118	20,055
<b>Total Interest Expense</b>	<u>\$ 62,905</u>	<u>\$ 71,279</u>

**Debt Service Requirements**

Debt service requirements on long-term debt at June 30, 2008 are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 135,685	\$ 54,253
2010	135,685	45,719
2011	135,685	37,185
2012	60,680	28,652
2013	60,680	25,894
2014-2018	255,000	96,018
2019-2023	250,000	42,500
2024-2028	50,000	2,125
<b>Total</b>	<u>\$ 1,083,415</u>	<u>\$ 332,346</u>

**NOTE 7 – CONTINGENT LIABILITIES**

The town is contingently liable on Regional School District No. 7 serial bonds and leases payable. The amount (12.07 percent) attributed to the Town of Colebrook, CT is \$965,379.

**NOTE 8 – INTERFUND ACCOUNTS**

At June 30, 2008, interfund balances were as follows:

<u>Due From:</u>	<u>Due To:</u>		<u>Totals</u>	
	<u>Funds</u>	<u>Fund</u>	<u>2008</u>	<u>2007</u>
General Fund	\$ 2,287	\$ -	\$ 2,287	\$ 1,855
Nonmajor	-	8,292	8,292	10,142
<b>Total</b>	<u>\$ 2,287</u>	<u>\$ 8,292</u>	<u>\$ 10,579</u>	<u>\$ 11,997</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 to the General Fund from Nonmajor Funds represents funds owed to the General Fund from the Dog Fund and Cemetery Fund for expenses paid on behalf of the fund. Interfund Transfers for the year are summarized below:

**TOWN OF COLEBROOK**  
Notes to the Financial Statements  
June 30, 2008

Transfers From and Purpose	Capital Projects Fund	Nonmajor Funds	Totals	
			2008	2007
General Fund				
Budgeted Expenditure	\$ 275,000	\$ 7,000	\$ 282,000	\$ 275,000
Reimbursed Expenditure	-	-	-	5,861
	<u>\$ 275,000</u>	<u>\$ 7,000</u>	<u>\$ 282,000</u>	<u>\$ 280,861</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 9 – FUND BALANCES / NET ASSETS**

The following net assets were restricted at June 30,

	2008	2007
Governmental Activities	\$ <u>3,258</u>	\$ <u>2,160</u>

The following balances were reserved at June 30,

Governmental Funds		
Nonmajor Funds: Cemetery	\$ 86,057	\$ 87,827
Nonmajor Funds: School Cafeteria	620	620
Total	<u>\$ 86,677</u>	<u>\$ 88,447</u>

The following balances were designated at June 30,

Governmental Funds		
General Fund	\$ 58,100	\$ -
Capital Projects Fund	391,997	339,283
Total	<u>\$ 450,097</u>	<u>\$ 339,283</u>

The following funds had deficit fund balances at year-end:

Governmental Funds		
Nonmajor Funds: Dog Fund	\$ <u>(217)</u>	\$ <u>-</u>

**NOTE 10 – PRIOR PERIOD ADJUSTMENT**

An adjustment was made to increase beginning net assets by \$414,958. The Town noted additional fixed assets that were not previously included in their records. The adjustment had no effect on current year operations.

**NOTE 11 – SUBSEQUENT EVENT**

Effective October 3, 2008, FDIC deposit insurance temporarily increased from \$100,000 to \$250,000 per depositor through December 31, 2009.

**TOWN OF COLEBROOK**  
Statement of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2008

page 1 of 4

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
<b>REVENUES</b>				
<b>Taxes:</b>				
Property Taxes	\$ 4,171,122	\$ 4,171,122	\$ 4,182,064	\$ 10,942
Interest and Liens	-	-	65,742	65,742
Total Taxes	<u>4,171,122</u>	<u>4,171,122</u>	<u>4,247,806</u>	<u>76,684</u>
<b>Intergovernmental Revenue:</b>				
Senior Center Grants	16,350	16,350	12,196	(4,154)
Telephone Access Line Tax Share	14,712	14,712	22,727	8,015
Education Cost Sharing	463,096	463,096	475,572	12,476
School Transportation	7,194	7,194	7,101	(93)
Adult Education	259	259	288	29
Special Education	-	-	10,849	10,849
State and Federal Property	3,208	3,208	3,786	578
Town Aid Roads	73,010	73,010	99,628	26,618
Pequot Funds	48,558	48,558	21,932	(26,626)
Elderly and Veterans Property Tax Relief	15,000	15,000	13,536	(1,464)
School Construction Grant	30,289	30,289	28,544	(1,745)
LOCIP	25,834	25,834	-	(25,834)
FEMA	-	-	54,397	54,397
Misc. - Boats, Machinery, & Comm. MV	2,000	2,000	2,910	910
Total Intergovernmental Revenue	<u>699,510</u>	<u>699,510</u>	<u>753,466</u>	<u>53,956</u>
<b>Other Revenues:</b>				
Town Operations	60,000	60,000	66,003	6,003
Interest Income	97,084	97,084	69,017	(28,067)
Miscellaneous	9,330	9,330	32,478	23,148
Total Other Revenues	<u>166,414</u>	<u>166,414</u>	<u>167,498</u>	<u>1,084</u>
Total Revenues before other Financing Sources	<u>5,037,046</u>	<u>5,037,046</u>	<u>5,168,770</u>	<u>131,724</u>
<b>Other Financing Sources:</b>				
Transfer from Cemetery Fund	7,000	7,000	7,000	-
Fund Balance Designated to Finance Budget	237,500	256,700	223,225	(33,475)
Total Revenues	<u>\$ 5,281,546</u>	<u>\$ 5,300,746</u>	<u>\$ 5,398,995</u>	<u>\$ 98,249</u>

See accountant's report.

**TOWN OF COLEBROOK**  
Statement of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2008

page 2 of 4

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
<b>EXPENDITURES</b>				
<b>General Government</b>				
First Selectman	\$ 26,780	\$ 26,805	\$ 26,805	\$ -
2ND & 3RD Selectmen	1,300	1,082	1,082	-
COST	725	725	725	-
Selectmen's Expense	1,250	1,812	1,812	-
Probate Court	1,250	-	-	-
Elections	7,200	11,437	11,437	-
Board of Finance	1,400	1,260	1,260	-
Board of Assessors	7,725	4,725	4,725	-
Assessor's Expense	1,100	1,313	1,313	-
Assessor's Mapping	500	-	-	-
Board of Assessment Appeals	400	361	361	-
Tax Collector	18,009	18,009	18,009	-
Tax Collector Expense	3,500	3,429	3,429	-
Treasurer	5,700	5,700	5,700	-
Treasurer Expense	550	426	426	-
Town Attorney	2,000	1,080	1,080	-
Town Clerk	31,058	31,058	31,058	-
Town Clerk Expense	2,304	2,249	2,249	-
Assistant Town Clerk	2,968	2,136	2,136	-
Building Inspector	10,285	10,825	10,825	-
Building Inspector's Expense	750	1,411	1,411	-
Farmington Valley Health District	6,006	6,006	6,006	-
Planning and Zoning Commission	8,750	12,861	12,861	-
Zoning Board of Appeals	525	-	-	-
Inland-Wetlands Agency	2,750	1,273	1,273	-
Town Secretary	25,915	22,174	22,174	-
Land Use Sec'y/Enf. Officer	22,900	31,538	31,538	-
Social Security	30,187	32,356	32,356	-
Pension Payment	-	600	600	-
Pension Contribution	6,900	8,212	8,212	-
Employee Medical Insurance	88,000	90,174	90,174	-
Insurance (CIRMA)	72,151	70,259	70,259	-
Recreation Board	22,200	18,222	18,222	-
Town Hall Admin. Support	19,097	19,159	19,159	-
Auditor	11,740	11,980	11,980	-
Total General Government	443,875	450,657	450,657	-
<b>Public Safety</b>				
Fire Marshal	3,826	3,826	3,826	-
Fire Marshal Expense	-	75	75	-
Fire Protection	48,000	48,000	48,000	-

See accountant's report.

**TOWN OF COLEBROOK**  
Statement of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2008

page 3 of 4

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
Constables	\$ 150	\$ 140	\$ 140	\$ -
911	16,590	15,369	15,369	-
Total Public Safety	68,566	67,410	67,410	-
<b>Highways</b>				
Wages	157,435	158,167	158,167	-
Overtime	23,615	26,896	26,896	-
Town Garage Fuel and Lubricants	28,875	36,010	36,010	-
Town Vehicle Parts and Repairs	38,325	42,690	42,690	-
Winter Maintenance	69,000	117,336	144,879	(27,543)
Road Improvement	90,000	32,978	32,978	-
Street Lights	950	870	870	-
Utilities	5,500	6,236	6,236	-
Garage Maintenance	6,000	7,646	7,646	-
Tree Removal	10,000	5,200	5,200	-
Total Highways	429,700	434,029	461,572	(27,543)
<b>Town Hall</b>				
Office Supplies	6,500	7,421	7,421	-
Town Hall/Community Hall Util.	16,300	19,727	19,727	-
Town Hall Maintenance	12,000	14,110	14,110	-
Miscellaneous	2,000	2,224	2,224	-
General Assistance (Welfare)	200	-	-	-
Total Town Hall	37,000	43,482	43,482	-
<b>Senior Center</b>				
Senior Center Utilities	6,193	5,765	5,765	-
Senior Center Maintenance	4,856	5,640	5,640	-
Senior Center Miscellaneous	350	229	229	-
Senior Center Coordinator	13,801	13,887	13,887	-
Site Manager and Helper	15,797	18,941	18,941	-
Heat, Stove and Hot Water	4,449	4,590	4,590	-
Van & Driver	7,346	7,738	7,738	-
Total Senior Center	52,792	56,790	56,790	-
<b>Health and Welfare</b>				
Vital Statistics	27	-	-	-
Foothills Nursing	6,178	6,178	6,178	-
Susan B. Anthony	1,000	1,000	1,000	-
Winsted Ambulance	5,500	5,500	5,500	-

See accountant's report.



**TOWN OF COLEBROOK**  
Statement of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2008

page 4 of 4

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
Elderly Nutrition Program	\$ 862	\$ 862	\$ 862	\$ -
Elderly Transit Program	692	692	692	-
Regional Mental Health	169	169	169	-
Paramedic Intercept	11,271	11,418	11,418	-
Norfolk Ambulance	5,000	5,000	5,000	-
Colebrook First Responders	1,500	1,500	1,500	-
Northwest Corner Chore Service	750	750	750	-
Total Health and Welfare	<u>32,949</u>	<u>33,069</u>	<u>33,069</u>	<u>-</u>
<b>Miscellaneous</b>				
Libraries	13,657	13,657	13,657	-
Cemeteries	7,000	9,462	9,462	-
Data Processing	19,000	20,294	20,294	-
Winsted YSB	2,625	2,625	2,625	-
LHCEO	1,001	1,001	1,001	-
Farmington River Watershed	188	188	188	-
Mapping: Micro Filming	1,000	812	812	-
Total Miscellaneous	<u>44,471</u>	<u>48,039</u>	<u>48,039</u>	<u>-</u>
<b>Refuse Disposal</b>				
Town's Refuse/Recycle	<u>223,000</u>	<u>198,877</u>	<u>198,877</u>	<u>-</u>
Total Refuse Disposal	<u>223,000</u>	<u>198,877</u>	<u>198,877</u>	<u>-</u>
<b>Debt Service</b>	<u>198,566</u>	<u>198,566</u>	<u>194,937</u>	<u>3,629</u>
<b>Education</b>				
Colebrook School Budget	1,626,265	1,645,465	1,637,913	7,552
Northwest Regional # 7	<u>1,849,362</u>	<u>1,849,362</u>	<u>1,849,642</u>	<u>(280)</u>
Total Education	<u>3,475,627</u>	<u>3,494,827</u>	<u>3,487,555</u>	<u>7,272</u>
<b>Other Expenditures</b>				
Storm Repairs	-	-	80,299	(80,299)
State Surcharges	-	-	1,308	(1,308)
	-	-	81,607	(81,607)
<b>Provision for Uncollected Taxes</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Capital Improvements</b>				
Capital Expenditures	<u>275,000</u>	<u>275,000</u>	<u>275,000</u>	<u>-</u>
	<u>275,000</u>	<u>275,000</u>	<u>275,000</u>	<u>-</u>
Total Expenditures	<u>5,281,546</u>	<u>5,300,746</u>	<u>5,398,995</u>	<u>(98,249)</u>
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accountant's report.

**TOWN OF COLEBROOK**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

**SPECIAL REVENUE FUNDS**

	Post Office Fund	Dog Fund	School Cafeteria Fund	Cemetery Fund	Historical Document Fund	Education Grants Fund	Total
<b>Assets</b>							
Cash and Cash Equivalents	\$ 19,050	\$ 2,915	\$ 4,697	\$ 93,057	\$ -	\$ 18	\$ 119,737
State and Federal Grants Receivable	-	-	1,398	-	-	-	1,398
Interfund Receivables	-	-	-	-	2,287	-	2,287
Inventory	-	-	620	-	-	-	620
<b>Total Assets</b>	<u>19,050</u>	<u>2,915</u>	<u>6,715</u>	<u>93,057</u>	<u>2,287</u>	<u>18</u>	<u>124,042</u>
<b>Liabilities</b>							
Accounts Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	3,000	-	-	18	3,018
Interfund Payable	-	1,292	-	7,000	-	-	8,292
Due to State of CT	-	1,840	-	-	-	-	1,840
<b>Total Liabilities</b>	<u>-</u>	<u>3,132</u>	<u>3,000</u>	<u>7,000</u>	<u>-</u>	<u>18</u>	<u>13,150</u>
<b>Fund Balances</b>							
Reserved	-	-	620	86,057	-	-	86,677
Unreserved:							
Designated	-	-	-	-	-	-	-
Undesignated	19,050	(217)	3,095	-	2,287	-	24,215
<b>Total Fund Balances</b>	<u>19,050</u>	<u>(217)</u>	<u>3,715</u>	<u>86,057</u>	<u>2,287</u>	<u>-</u>	<u>110,892</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 19,050</u>	<u>\$ 2,915</u>	<u>\$ 6,715</u>	<u>\$ 93,057</u>	<u>\$ 2,287</u>	<u>\$ 18</u>	<u>\$ 124,042</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, 2008

	SPECIAL REVENUE FUNDS						
	Post Office Fund	Dog Fund	School Cafeteria Fund	Cemetery Fund	Historical Document Fund	Education Grants Fund	Total
<b>Revenues</b>							
Investment Income	\$ 615	\$ 36	\$ -	\$ 3,281	\$ -	\$ -	\$ 3,932
Fees and Charges	-	3,018	33,825	2,100	432	-	39,375
Intergovernmental Revenues	-	-	9,631	-	7,000	17,920	34,551
Other	8,358	-	82	-	-	-	8,440
Total Revenues	8,973	3,054	43,538	5,381	7,432	17,920	86,298
<b>Expenditures</b>							
General Government	5,171	-	-	-	7,000	-	12,171
Public Safety	-	3,652	-	-	-	-	3,652
Health and Welfare	-	-	-	150	-	-	150
Education	-	-	45,608	-	-	17,920	63,528
Debt Service	3,653	-	-	-	-	-	3,653
Total Expenditures	8,824	3,652	45,608	150	7,000	17,920	83,154
Net Changes in Fund Balances Before Other Financing Sources/(Uses)	149	(598)	(2,070)	5,231	432	-	3,144
<b>Other Financing Sources/(Uses)</b>							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	(7,000)	-	-	(7,000)
Total Other Financing Sources/(Uses)	-	-	-	(7,000)	-	-	(7,000)
Changes in Fund Balances	149	(598)	(2,070)	(1,769)	432	-	(3,856)
Fund Balances - Beginning	18,901	381	5,785	87,826	1,855	-	114,748
Fund Balances - Ending	\$ 19,050	\$ (217)	\$ 3,715	\$ 86,057	\$ 2,287	\$ -	\$ 110,892

See accountant's report.

**TOWN OF COLEBROOK**  
Combining Statement of Fiduciary Net Assets  
For the Year Ended June 30, 2008

	Pension Trust Fund	Agency Funds			Total
		Recreation Board Fund	School Activities Fund	Senior Citizen Center	
<b>Assets:</b>					
Cash and Cash Equivalents	\$ -	\$ 10,712	\$ 18,270	\$ 24,063	\$ 53,045
Investments	113,842	-	-	-	113,842
Other Receivables	-	-	-	-	-
Contribution Receivable	-	-	-	-	-
Total Assets	<u>113,842</u>	<u>10,712</u>	<u>18,270</u>	<u>24,063</u>	<u>166,887</u>
<b>Liabilities:</b>					
Due to Beneficiaries	-	9,347	18,270	18,548	46,165
Due to Others	-	1,365	-	5,515	6,880
Total Liabilities	<u>-</u>	<u>10,712</u>	<u>18,270</u>	<u>24,063</u>	<u>53,045</u>
<b>Fund Balances:</b>					
Held in Trust for Pension Benefits	<u>113,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,842</u>
Total Fund Balances	<u>113,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,842</u>
Total Liabilities and Fund Balances	<u>\$ 113,842</u>	<u>\$ 10,712</u>	<u>\$ 18,270</u>	<u>\$ 24,063</u>	<u>\$ 166,887</u>

See accountant's report.

# TOWN OF COLEBROOK

Combining Statement of Revenues, Expenditures, and Changes in Fiduciary Net Assets

Fiduciary Funds

For the Year Ended June 30, 2008

	<u>Pension Trust</u>
<b>Revenues:</b>	
Employer Contributions	\$ 10,246
Earnings from Investments	<u>(8,174)</u>
Total Revenues	<u>2,072</u>
<b>Expenditures:</b>	
General Government	<u>40,237</u>
Total Expenditures	<u>40,237</u>
Excess (Deficiency) of Revenues Over Expenditures	(38,165)
Fund Balances, Beginning of Year	<u>152,007</u>
Fund Balances, End of Year	<u>\$ 113,842</u>

See accountant's report.

**TOWN OF COLEBROOK**  
Combining Statement of Changes in Assets and Liabilities  
Fiduciary Funds  
For the Year Ended June 30, 2008

	Balance July 1, 2007	Additions	Deductions	Balance June 30, 2008
<b>RECREATION FUND</b>				
<b>Assets:</b>				
Cash	\$ 5,605	\$ 11,187	\$ 6,080	\$ 10,712
Due from Others	200	-	200	-
	<u>\$ 5,805</u>	<u>\$ 11,187</u>	<u>\$ 6,280</u>	<u>\$ 10,712</u>
<b>Liabilities:</b>				
Due to Beneficiaries	\$ 5,355	\$ 10,272	\$ 6,280	\$ 9,347
Due to Others	450	915	-	1,365
	<u>\$ 5,805</u>	<u>\$ 11,187</u>	<u>\$ 6,280</u>	<u>\$ 10,712</u>
<b>SCHOOL ACTIVITIES FUND</b>				
<b>Assets:</b>				
Cash	\$ 19,117	\$ 9,225	\$ 10,072	\$ 18,270
<b>Liabilities:</b>				
Due to Beneficiaries	\$ 19,117	\$ 9,225	\$ 10,072	\$ 18,270
<b>SENIOR CENTER FUND</b>				
<b>Assets:</b>				
Cash	\$ 20,524	\$ 21,870	\$ 18,331	\$ 24,063
<b>Liabilities:</b>				
Due to Beneficiaries	\$ 16,319	\$ 16,355	\$ 14,126	\$ 18,548
Due to Others	4,205	5,515	4,205	5,515
	<u>\$ 20,524</u>	<u>\$ 21,870</u>	<u>\$ 18,331</u>	<u>\$ 24,063</u>
<b>TOTAL ASSETS</b>				
Cash	\$ 45,246	\$ 42,282	\$ 34,483	\$ 53,045
Due from Others	200	-	200	-
	<u>\$ 45,446</u>	<u>\$ 42,282</u>	<u>\$ 34,683</u>	<u>\$ 53,045</u>
<b>TOTAL LIABILITIES</b>				
Due to Beneficiaries	\$ 40,791	\$ 35,852	\$ 30,478	\$ 46,165
Due to Others	4,655	6,430	4,205	6,880
	<u>\$ 45,446</u>	<u>\$ 42,282</u>	<u>\$ 34,683</u>	<u>\$ 53,045</u>

See accountant's report.

TOWN OF COLEBROOK

**TOWN OF COLEBROOK**  
**Schedule of Property Taxes Levied, Collected, and Outstanding**  
**For the Year Ended June 30, 2008**

Net Grand List- October 1, 2006  
Tax Rate 22.59 Mills

See accountant's report.

# TOWN OF COLEBROOK

## Schedule of Debt Limitation

June 30, 2008

### Total Tax Collections for the Year

Taxes	\$ 4,182,064
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Reimbursement for Loss on:

Tax Relief for the Elderly

8,377

Base

\$ 4,190,441

	General Purpose	Schools	Sewers	Urban Renewal
<b>Debt Limitation:</b>				
2 1/4 times base	\$ 9,428,492	\$ -	\$ -	\$ -
4 1/2 times base	-	18,856,985	-	-
3 3/4 times base	-	-	15,714,154	-
3 1/4 times base	-	-	-	13,618,933
Total Debt Limitation	9,428,492	18,856,985	15,714,154	13,618,933

### Indebtedness:

Bonds payable	867,500	157,500	-	-
Loans Payable	58,415	-	-	-
Allocated to Regional School District Debt	-	965,379	-	-
Less: Grants Receivable	-	(71,866)	-	-
Total Indebtedness	925,915	1,051,013	-	-

Debt limitation in excess of

outstanding and authorized debt	<u>\$ 8,502,577</u>	<u>\$ 17,805,972</u>	<u>\$ 15,714,154</u>	<u>\$ 13,618,933</u>
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Note: In no case should this total indebtedness exceed seven times the base of \$4,190,441 or \$29,333,087

See accountant's report.



**TOWN OF COLEBROOK**  
 Board of Education  
 Schedule of Expenditures - Budget and Actual  
 For the Fiscal Year Ended June 30, 2008

page 1 of 3

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Salaries</b>				
<i>Certified Personnel</i>				
Superintendent	\$ 45,000	\$ 45,000	\$ 45,000	\$ -
Principal	85,000	85,000	85,000	-
Teachers	596,055	596,055	595,428	627
Substitutes	15,000	10,000	5,998	4,002
Head Teacher	1,500	1,500	1,500	-
Extra Hours	900	900	874	26
Media Specialist	-	77,540	77,540	-
<i>Non-Certified</i>				
Aide	56,887	56,887	51,153	5,734
Computer Technician	2,500	2,500	2,500	-
After-School Stipend	2,000	2,000	-	2,000
Substitutes	-	5,000	1,549	3,451
School Nurse	30,565	30,565	30,565	-
Librarian	12,017	12,017	15,719	(3,702)
Administrative Asst.	32,604	32,604	32,604	-
Bookkeeper	27,123	27,123	27,123	-
Custodian / Full	34,577	34,577	34,577	-
Custodian / Part	8,037	8,037	4,418	3,619
Custodial Overtime	1,000	1,000	1,068	(68)
<b>Total Salaries</b>	<b>950,765</b>	<b>1,028,305</b>	<b>1,012,616</b>	<b>15,689</b>
<b>Employee Benefits</b>				
Medical Insurance	126,998	124,998	124,001	997
Dental Insurance	10,329	10,329	11,326	(997)
Life Insurance	3,600	3,600	3,645	(45)
Disability	350	350	-	350
Comp. FICA	14,934	14,934	15,700	(766)
Medicare	11,523	11,523	11,187	336
Pension	3,360	3,360	3,359	1
Tuition Reimbursement	5,000	5,000	5,000	-
<b>Total Employee Benefits</b>	<b>176,094</b>	<b>174,094</b>	<b>174,218</b>	<b>(124)</b>

See accountant's report.

## TOWN OF COLEBROOK

page 2 of 3

## Board of Education

## Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
<b>Purchased Services</b>				
Administrative Seminars	\$ 300	\$ 300	\$ 235	\$ 65
Computer Support	6,000	6,000	5,000	1,000
Staff Seminars (Workshops)	5,000	-	172	(172)
Noncertified Development	250	250	-	250
Test & Scoring	1,000	1,000	-	1,000
Curriculum Development	2,000	2,000	1,385	615
Legal Fees	6,000	13,000	18,565	(5,565)
Audit Services	2,575	2,575	2,610	(35)
Doctor	350	350	400	(50)
Therapists	8,000	8,000	13,979	(5,979)
Fingerprinting	-	-	92	(92)
<i>Purchased Property Services</i>				
Water/Water Coolers	1,700	1,700	1,670	30
Well Monitor	2,300	2,300	3,637	(1,337)
<i>Repair and Maintenance Services</i>				
Cleaning Services	600	600	650	(50)
Building Maint. & Repairs	3,300	3,300	3,413	(113)
Bldg. Insp./Asbestos	1,000	1,000	1,013	(13)
Equipment Repairs	2,000	2,000	1,365	635
Service Contracts	7,150	7,150	5,531	1,619
<i>Student Transportation</i>				
Regular Local	72,162	72,162	72,162	-
Special Education	12,850	12,850	19,602	(6,752)
<i>Communication</i>				
Telephone	3,300	3,300	3,737	(437)
Cell Phone	170	170	81	89
Postage	1,500	1,500	1,356	144
Internet	300	300	275	25
Advertising	1,000	1,000	729	271
<i>Travel-Other Transportation</i>				
Travel	1,500	1,500	1,350	150
<i>Miscellaneous Purchased Services</i>				
Adult Education	1,100	1,100	1,121	(21)
Private School	-	19,200	25,414	(6,214)
Education Service in CT	48,500	48,500	77,588	(29,088)
Vaccines	220	220	-	220
Shared Services/Outplacement	154,000	154,000	126,337	27,663
<b>Total Purchased Services</b>	<b>346,127</b>	<b>367,327</b>	<b>389,469</b>	<b>(22,142)</b>

See accountant's report.

## TOWN OF COLEBROOK

page 3 of 3

## Board of Education

Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance Favorable/ (Unfavorable)
<b>PURCHASES</b>				
Supplies and Materials				
Office Supplies	\$ 1,400	\$ 1,400	\$ 919	\$ 481
Teaching Supplies	137	137	184	(47)
Audio Visual Supplies	112	112	60	52
Computer Supplies	2,192	2,192	2,473	(281)
Custodial Supplies	4,000	4,000	4,743	(743)
Health Supplies	75	75	133	(58)
Board of Education Supplies	200	200	120	80
Library Supplies	400	400	429	(29)
School Supplies	1,000	1,000	1,330	(330)
Consortium Bid Supplies	5,747	5,747	3,419	2,328
Energy				
Electricity	21,500	21,500	18,862	2,638
Propane Gas	2,200	2,200	-	2,200
Heating Oil	24,000	24,000	21,909	2,091
Textbooks & Periodicals				
Textbooks	2,007	2,007	63	1,944
Workbooks	1,529	1,529	90	1,439
Library Books	1,400	1,400	92	1,308
Magazines	500	500	289	211
Teacher Guides	457	457	109	348
Music Supplies	1,155	1,155	499	656
Art Supplies	880	880	-	880
Physical Education Supplies	248	248	-	248
Total Purchases	<u>71,139</u>	<u>71,139</u>	<u>55,723</u>	<u>15,416</u>
Other Objects				
Dues & Fees	3,500	3,500	5,818	(2,318)
Miscellaneous	100	100	69	31
Total Other Objects	<u>3,600</u>	<u>3,600</u>	<u>5,887</u>	<u>(2,287)</u>
Total Board of Education	<u>\$ 1,547,725</u>	<u>\$ 1,644,465</u>	<u>\$ 1,637,913</u>	<u>\$ 6,552</u>

See accountant's report.

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## **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**

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

We have audited the financial statements of the Town of Colebrook, CT as of and for the year ended June 30, 2008, and have issued our report thereon dated January 15, 2009. 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.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town of Colebrook, CT's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Colebrook, CT's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Colebrook, CT's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town of Colebrook, CT's financial statements that is more than inconsequential will not be prevented or detected by the Town of Colebrook, CT's internal control. We consider the deficiencies described as #08-1 in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Town of Colebrook, CT's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

#### **Compliance and Other Matters**

We noted certain other matters that we reported to management in a separate letter dated January 15, 2009.

The Town of Colebrook, CT's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Town of Colebrook, CT's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Selectmen, the State of Connecticut Office of Policy and Management, and other state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Robert E. King & Co., P.C.*

Robert E. King Co., P.C.  
January 15, 2009

**TOWN OF COLEBROOK**  
Schedule of Expenditures of State Financial Assistance  
For the Year Ended June 30, 2008

<u>State Grantor/Pass Through</u> <u>Grantor/Program Title</u>	<u>State Grant Program</u> <u>Identification Number</u>	<u>Expenditures</u>
<b>State Department of Education</b>		
Adult Education	11000-SDE64000-17030	\$ 288
Child Nutrition Program	11000-SDE64000-16072	2,270
<b>Connecticut State Library</b>		
Historic Preservation	12060-CSL66094-35150	7,000
<b>Department of Transportation</b>		
Town Aid Road	12001-DOT57000-17036	99,628
Local Bridge Program	21010-DOT57000-42313	16,593
<b>Department of Environmental Protection</b>		
Small Town Economic Assistance Program	12052-DEP44420-40530	985
<b>Judicial Department</b>		
Parking Fines	34001-JUD95162-34001	850
<b>Office of the State Comptroller</b>		
State Owned Real Property	11000-OSC15910-17004	3,510
Mashantucket Pequot	12009-OSC15910-17005	21,932
Boat Grant	12027-OSC15910-40211	272
<b>Office of Policy and Management</b>		
Property Tax Relief:		
Totally Disabled	11000-OPM20600-17018	158
Veteran's Exemptions	11000-OPM20600-17024	5,001
Elderly Exemptions	11000-OPM20600-17018	8,377
Manufacturer's M&E-PILOT	11000-OPM20600-17031	1,728
<b>Total State Financial Assistance Before Exempt Programs</b>		<u>168,592</u>

**EXEMPT PROGRAMS**

<b>Department of Education</b>		
Education Cost Sharing	11000-SDE64000-17041	475,572
Excess Cost-Student Based	11000-SDE64000-17048	10,849
Transportation of School Children	11000-SDE64000-17025	7,101
School Construction Grants	13009-SDE64370-40896	6,540
School Construction Grants-Principal	13010-SDE64370-40901	22,004
School Construction Grants	13010-SDE64370-40901	16,229
<b>Total Exempt Programs</b>		<u>538,295</u>
<b>Total State Financial Assistance</b>		<u>\$ 706,887</u>

See notes to schedule.

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**TOWN OF COLEBROOK**  
State Financial Assistance Programs  
Notes to the Schedule  
For the Year Ended June 30, 2008

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Colebrook, CT, 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 following is a summary of the more significant policies relating to the aforementioned grant programs:

### *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 Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-22), certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

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## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT ACT AND ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

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

### **Compliance**

We have audited the compliance of the Town of Colebrook, CT with the types of compliance requirements described in the *Office of Policy and Management Compliance Supplement* that are applicable to each of its major state programs for the year ended June 30, 2008. The major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Town of Colebrook, CT's management. Our responsibility is to express an opinion on compliance based on our audit.

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 236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town of Colebrook, CT's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Colebrook, CT's compliance with those requirements.

In our opinion, the Town of Colebrook, CT complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2008.

### **Internal Control over Compliance**

The management of the Town of Colebrook, CT is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered the internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal



control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Colebrook, CT's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the Town of Colebrook, CT's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of State Financial Assistance**

We have audited 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, 2008, and have issued our report thereon dated January 15, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Colebrook, CT's basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements, taken as a whole.

This report is intended solely for the information and the use of the Board of Selectmen, Management of the Town of Colebrook, CT, the State of Connecticut Office of Policy and Management, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Robert E. King & Co., P.C.*

Robert E. King & Co., P.C.

January 15, 2009

# Robert E. King & Co., P.C.

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## TOWN OF COLEBROOK, CT Schedule of Findings and Questioned Costs For the Year Ended June 30, 2008

### 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, 2008 and issued our unqualified report thereon dated January 15, 2009.

#### Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant Deficiency(ies) identified that are not considered to be material weaknesses? ☒ 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 that are not considered to be material weaknesses? ☐ Yes ☒ None Reported

We have issued an unqualified 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:

<u>State Grantor</u> <u>And</u> <u>Program</u>	<u>State Core-CT</u> <u>Number</u>	<u>Expenditures</u>
Department of Transportation: Town Aid Road	12001 – DOT57000 – 17036	\$ 99,628

## II. FINANCIAL STATEMENT FINDINGS

- We issued reports, dated January 15, 2009, on internal control over financial reporting and on compliance and other matters based on our audit of financial statements performed in accordance with *Government Auditing Standards*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated a significant deficiency, as described below:

### FINDING #08-1

#### Condition

Although the accounting personnel of the Town of Colebrook currently prepare monthly and other periodic financial reports for management review, they are not able to prepare a complete set of financial statements and required disclosures required in accordance with generally accepted accounting principles, including GASB statements.

#### Context

Recently issued auditing standards require the auditor to consider whether the Town possesses the ability to detect material misstatements in financial statements prepared in accordance with GAAP. A measure of this ability is whether the Town is able to produce a complete set of GAAP financial statements. In past years, the Town has relied on its auditors to prepare these financial statements. The Town does provide many of the supporting documentation that is essential in assisting the auditors in preparing the financial statements and related notes.

#### Effect

The Town continues to rely on its auditors to prepare these financial statements. As a result, the likelihood that the Town may not detect a material misstatement is reduced.

#### Cause

The Town is able to provide for a small accounting staff which produces financial reports for management review; however, the staff does not possess the ability to create financial statements and related disclosures in accordance with GAAP. The government has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to continue to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their content and presentation.

#### Recommendation

The Town should review the auditor-prepared financial statements and related disclosures prior to issuance of the audited financial statements.

#### Views of Responsible Officials and Planned Corrective Actions

The Town will continue to provide supporting documentation and schedules to assist the auditors in preparing the financial statements and related notes in accordance with generally accepted accounting principles. However, the excessive cost to train Town personnel to be able to prepare a complete set of financial statements and related note disclosures is not economically feasible at this time.