

This Preliminary Official Statement and the information contained herein are subject to completion and amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which said offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

## PRELIMINARY OFFICIAL STATEMENT DATED JUNE 4, 2025

### NEW MONEY ISSUE

**S&P GLOBAL RATINGS: SP-1+**  
(see “Ratings” herein)

*In the opinion of Bond Counsel, based on existing statutes and court decisions and rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), interest on the Notes is excludable from gross income for Federal income tax purposes and is not an item of tax preference for purposes of the Federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, based on existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates subject to and required to pay the Federal alternative minimum tax. (See Appendix B – “Form of Opinion of Bond Counsel and Tax Matters” herein).*



## TOWN OF COLUMBIA, CONNECTICUT \$5,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES (BANK QUALIFIED)

**Dated: June 25, 2025**

**Due: June 24, 2026**

Amount	Coupon	Yield	CUSIP <sup>1</sup>
\$5,500,000			197385---

The \$5,500,000 General Obligation Bond Anticipation Notes (the “Notes”) will be general obligations of the Town of Columbia, Connecticut (the “Town”), and the Town will pledge its full faith and credit to pay the principal of, and interest on, the Notes when due. ( See “Security and Remedies” herein).

**The Notes are NOT subject to optional redemption prior to maturity as described herein.**

The Notes will be issued by means of a book-entry system and registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Notes. Principal of, and interest on, the Notes will be payable by the Town or its agent to DTC or its nominee as registered owners of the Notes. Purchases of the Notes will be made in book-entry form in denominations of \$5,000 or any integral multiples thereof. Purchasers of the Notes will not receive certificates representing their ownership interest in the Notes. So long as Cede & Co. is the Noteowner, as nominee of DTC, reference herein to the Noteowner or owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as described herein) of the Notes. (See “Book-Entry-Only Transfer System” herein).

U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut will certify the Notes, and act as Registrar, Transfer Agent, and Paying Agent.

**Electronic proposals via PARITY® for the Notes will be received until 11:00 A.M. (Eastern Time) on Wednesday, June 11, 2025 at Town of Columbia, Town Hall, 323 Route 87, Columbia, Connecticut 06237 as described in the Notice of Sale for the Notes (see Appendix D to this Official Statement).**

The Notes are offered for delivery when, as and if issued, subject to the final approving opinion of Updike, Kelly & Spellacy, P.C., Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Notes in book-entry-only form will be made to DTC in New York, New York on or about June 25, 2025.

***This cover page contains certain information for quick reference only. It is NOT a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.***

<sup>1</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc., which is not affiliated with the Town and are solely for the convenience of the holders of the Notes. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Notes or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Notes.

No dealer, broker, salesman or other person has been authorized by the Town of Columbia, Connecticut (the "Town"), to give any information or to make any representations not contained in this Official Statement in connection with the offering of the Notes, and if given or made, such other information or representations must not be relied upon as having been authorized by the Town.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

This Official Statement has been prepared only in connection with the initial offering and sale of the Notes and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement, nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date of this Official Statement or any earlier date as of which any information contained herein is given.

Set forth in Appendix A – “Financial Statements” hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures since the date of their report, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon, and do not assume responsibility for, the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Other than as to matters explicitly set forth in Appendix B herein, Bond Counsel is not passing on, and does not assume any responsibility for, the accuracy or adequacy of the statements made in this Official Statement and makes no representation that it has independently verified the same.

The Notes have not been registered under the Securities Act of 1933, as amended, nor have they been registered under any state securities laws.

This Official Statement is in a form deemed “final” by the Town for purposes of U.S. Securities and Exchange Commission (“SEC”) Rule 15c2-12(b)(1), but it is subject to revision or amendment in accordance with such rule.

The Town will enter into a Continuing Disclosure Agreement with respect to the Notes (the "Continuing Disclosure Agreement"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), notice of the occurrence of certain listed events within ten (10) business days of the occurrence of such events with respect to the Notes. The Continuing Disclosure Agreement is to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.

The Municipal Advisor to the Town has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

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*(860) 548-2600*

**MUNICIPAL ADVISOR**  
MUNISTAT SERVICES, INC.  
*Madison, Connecticut*  
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## TABLE OF CONTENTS

	Page		Page
Bond Issue Summary .....	i	V. Financial Information	
I. Securities Offered		Fiscal Year .....	21
Introduction .....	1	Basis of Accounting .....	21
Description of the Notes.....	1	Budgetary Procedures .....	21
Authorization and Use of Proceeds .....	1	Annual Audit.....	22
Rating .....	2	Pension Plans .....	22
Book-Entry-Only Transfer System.....	2	Other Post-Employment Benefits.....	23
Replacement Notes.....	3	Investment Practices.....	23
DTC Practices .....	4	Comparative General Fund Operating Statement....	24
Security and Remedies .....	4	General Fund Balance Sheet .....	25
Qualifications of Financial Institutions .....	4	General Fund Revenues and Expenditures.....	26
Availability of Containing Disclosure.....	4	Analysis of General Fund Equity .....	26
II. The Issuer		Property Tax Revenues .....	27
Description of the Town.....	6	Intergovernmental Revenues.....	27
Form of Government.....	7	Expenditures.....	27
Principal Town Officials .....	8	VI. Debt Summary	
Summary of Municipal Services .....	8	Principal Amount of Indebtedness .....	28
Town Employees.....	9	Overlapping/Underlying Debt.....	28
Municipal Employees' Bargaining Units .....	10	Debt Statement .....	28
Education System.....	10	Current Debt Ratios.....	29
School Faculties .....	10	Legal Requirements for Approval of Borrowing ....	29
School Enrollment and Projections .....	11	Temporary Financing .....	29
III. Economic and Demographic Information		Limitations of Indebtedness .....	30
Population Trends.....	12	Statement of Statutory Debt Limitation .....	31
Age Distribution of the Population.....	12	Authorized But Unissued Debt.....	31
Income Distribution.....	13	Principal Amount of Outstanding Debt.....	32
Income Levels .....	13	VII. Additional Information	
Educational Attainment.....	14	The COVID-19 Outbreak and Future Pandemics....	33
Major Employers.....	14	Cybersecurity .....	33
Employment by Industry .....	15	Climate Change .....	33
Employment Data.....	15	Litigation .....	34
Age Distributions of Housing.....	16	Municipal Advisor .....	34
Housing Inventory .....	16	Transcript and Closing Documents .....	34
Owner-Occupied Housing Value .....	17	Concluding Statement .....	35
Building Permits.....	17		
Land Use Summary .....	17	Appendix A – Basic Financial Statements	
IV. Tax Base Data		Appendix B – Form of Opinion of Bond Counsel and	
Assessments .....	18	Tax Matters	
Property Tax Collection Procedures.....	18	Appendix C – Form of Continuing Disclosure	
Motor Vehicle Property Tax Rate .....	19	Agreement	
Comparative Assessed Valuations .....	19	Appendix D – Notice of Sale	
Property Tax Levies and Collections.....	19		
Ten Largest Taxpayers .....	20		
Equalized Net Grand List.....	20		

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## NOTE ISSUE SUMMARY

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*The information in this Note Issue Summary and the cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.*

<b>Date of Sale:</b>	Wednesday, June 4, 2025, 11:00 A.M. (Eastern Time).
<b>Location of Sale:</b>	Town of Columbia, Town Hall, 323 Route 87, Columbia, Connecticut 06237
<b>Issuer:</b>	Town of Columbia, Connecticut (the “Town”).
<b>Issue:</b>	\$5,500,000 General Obligation Bond Anticipation Notes (the “Notes”).
<b>Dated Date:</b>	Date of Delivery, June 25, 2025.
<b>Interest Due:</b>	At maturity on June 24, 2026
<b>Principal Due:</b>	At maturity on June 24, 2026
<b>Purpose and Authority:</b>	The proceeds of the Notes will be used to finance an HVAC system and indoor air quality improvements at the Horace W. Porter School as authorized by the voters of the Town, as described in “Authorization and Use of Proceeds” herein.
<b>Redemption:</b>	The Notes are <b>NOT</b> subject to optional redemption prior to maturity as more fully described herein.
<b>Security:</b>	The Notes will be general obligations of the Town, and the Town will pledge its full faith and credit to the payment of principal of, and interest on, the Notes when due.
<b>Credit Rating:</b>	The Notes have been rated “SP-1+” by S&P Global Ratings (“S&P”). In connection with rating the Notes, S&P has applied an issuer credit rating of “AA+” to the Town. See “Ratings” herein.
<b>Bond Insurance:</b>	The Town does not expect to direct purchase a credit enhancement facility.
<b>Basis of Award:</b>	Lowest True Interest Cost (“TIC”), as of dated date.
<b>Tax Exemption:</b>	Refer to Appendix B - “Form of Opinion of Bond Counsel and Tax Matters” herein.
<b>Bank Qualification:</b>	The Notes <u>shall</u> be designated as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense incurred to carry the Notes.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the U.S. Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notices of certain listed events within ten (10) business days of the occurrence of such events pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent and Paying Agent:</b>	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Legal Opinion:</b>	Udike, Kelly & Spellacy, P.C. of Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about June 25, 2025 against payment in Federal Funds.
<b>Issuer Official:</b>	Questions concerning the Official Statement should be directed to Beverly Ciurylo, Finance Director and Treasurer, Town of Columbia, Town Hall, 323 Route 87, Columbia, Connecticut 06237. Telephone: 860-228-8423.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. William N. Lindsay, Managing Director, Telephone: (203) 421-2880.

## I. SECURITIES OFFERED

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### INTRODUCTION

This Official Statement, including the front cover page, inside cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Columbia, Connecticut (the “Town”) in connection with the issuance and sale of \$5,500,000 General Obligation Bond Anticipation Notes (the “Notes”) of the Town.

The Notes are being offered for sale at public bidding. A Notice of Sale dated June 4, 2025 has been furnished to prospective bidders. Reference is made to the Notice of Sale (see Appendix D to this Official Statement) for the terms and conditions of the bidding on the Notes.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to such statutes, charters, laws and acts; and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and the documents evidencing such proceedings.

The presentation of information in this Official Statement is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

Munistat Services, Inc. (“Munistat”) is engaged as Municipal Advisor to the Town in connection with the issuance of the Notes. The Municipal Advisor’s fee for services rendered with respect to the sale of the Notes is contingent upon the issuance and delivery of the Notes. Munistat, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal and state income tax status of the Notes or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

Bond Counsel is not passing upon and does not assume responsibility for the accuracy or completeness of the statements made in this Official Statement (other than matters expressly set forth as its opinion in Appendix B, hereto), and it makes no representation that it has independently verified the same.

The Town deems this Official Statement to be “final” for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

### DESCRIPTION OF THE NOTES

The Notes will be dated June 25, 2025 and will mature on June 24, 2026. Interest on the Notes will be payable at maturity. Interest will be calculated on the basis of twelve 30-day months and a 360-day year. The Notes are **NOT** subject to redemption prior to maturity. A book-entry system will be employed evidencing ownership of the Notes in principal amounts of \$5,000 or integral multiples thereof with transfers of ownership effected on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. (See “Book-Entry-Only Transfer System” herein.) The Registrar, Certifying Bank, Transfer Agent and Paying Agent will be U.S. Bank Trust Company, National Association, Hartford, Connecticut. The legal opinion on the Notes will be rendered by Updike, Kelly & Spellacy, P.C. of Hartford, Connecticut.

### AUTHORIZATION AND USE OF PROCEEDS

The Notes are issued pursuant to the General Statutes of Connecticut, as amended, and borrowing resolutions approved by the voters of the Town at referenda on December 12, 2023 and amended on December 17, 2024.

The proceeds of the Notes will be used to finance the following project authorized by the Town:

<b>Project</b>	<b>Appropriation Authorization</b>	<b>Borrowing Authorization</b>	<b>Anticipated Grants</b>	<b>The Notes (This Issue)</b>	<b>Authorized Unissued</b>
H.W. Porter School HVAC Project.....	\$ 8,376,245	\$ 5,500,000	\$ 3,169,181	\$ 5,500,000	\$ -
<b>Total All Projects.....</b>	<b>\$ 8,376,245</b>	<b>\$ 5,500,000</b>	<b>\$ 3,169,181</b>	<b>\$ 5,500,000</b>	<b>\$ -</b>

## RATINGS

The Notes have been rated “SP-1+” by S&P Global Rating (“S&P”). In connection with the rating on the Notes, S&P has assigned an issuer credit rating of “AA+” to the Town.

Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. The rating reflects only the view of the rating agency and an explanation of the significance of such rating may be obtained from S&P Global Ratings, 55 Water Street, 45<sup>th</sup> Floor, New York, New York 10041. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of the rating may have an effect on the market price of the Town’s bonds and notes, including the Notes.

## BOOK-ENTRY-ONLY TRANSFER SYSTEM

This section describes how ownership of the Notes is to be transferred and how the principal of, and interest on, the Notes are to be paid to and accredited by DTC while the Notes are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Town believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The Town cannot and does not give any assurance that (1) DTC will distribute notices of payments of debt service on the Notes to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Notes), or notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered note certificate will be issued for each interest rate on the Notes and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the

Notes on DTC's records. The ownership interest of each actual purchaser of the Notes ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as defaults and proposed amendments to the note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments with respect to the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Notes held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered. The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

## **REPLACEMENT NOTES**

The determination of the Town officials authorizing the issuance of the Notes provides for issuance of fully-registered note certificates directly to Beneficial Owners of the Notes or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Notes, and the Town fails to identify another qualified securities depository for the Notes to replace DTC; or (b) the Town determines to discontinue the book-entry-only system of evidence and transfer of ownership of the Notes. A Beneficial Owner of the Notes, upon registration of certificates held in such Beneficial Owner's name, will



become the registered owner of the Notes.

## **DTC PRACTICES**

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Notes will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

## **SECURITY AND REMEDIES**

The Notes will be general obligations of the Town, and the Town will pledge its full faith and credit to pay the principal of, and interest on, the Notes when due.

Unless paid from other sources, the Notes are payable from general property tax revenues. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the statutory limitation on its power to tax such dwelling houses of qualified elderly persons of low income or of qualified disabled persons.

Payment of the Notes is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Notes.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Notes, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and notes and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds and notes from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds, notes or other obligations.

## **QUALIFICATION FOR FINANCIAL INSTITUTIONS**

The Notes shall be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense incurred to carry the Notes.

## **AVAILABILITY OF CONTINUING DISCLOSURE**

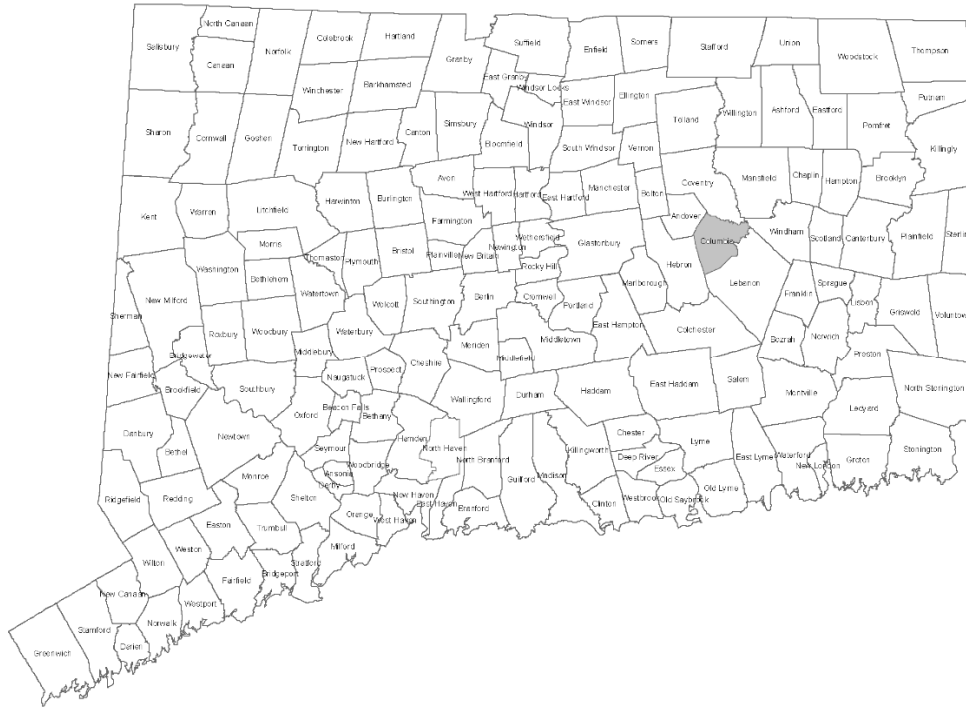
The Town prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year. The Town provides, and will continue to provide, to the rating agency ongoing disclosure in the form of annual audited financial statements, adopted budgets and other materials relating to its management and financial condition as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the U.S. Securities and Exchange Commission, the Town will enter into a Continuing Disclosure Agreement to provide, or cause to be provided, notice of the occurrence of certain listed events within 10 business days of the occurrence of such events with respect to the Notes. The Continuing Disclosure Agreement is to be executed in substantially the form attached in Appendix C to this Official Statement.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). During the last five years, the Town has not failed to comply in any material respect with its previous undertakings under such agreements. The Town has not been subject to a continuing disclosure agreement since April 2015, at which time all of its bonded debt had been retired. Certain audited financial information and operating data of the Town has been voluntarily submitted to EMMA after that date.

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## II. THE ISSUER



### DESCRIPTION OF THE TOWN

The Town of Columbia, incorporated in 1804, was originally part of the Town of Lebanon. It is perhaps most well known as the birthplace of Dartmouth College. The earliest settlers in the area were seeking religious freedom. The Town organization was completed in the early 1700s when residents formed their first church and selected their first minister. In 1716, a second ecclesiastical society, known as Lebanon Crank, was created. Nearly a century later, the General assembly was petitioned by the Crank to separate the Crank from the rest of Lebanon, claiming hardship by reason of remoteness of the place of worship. The name Columbia, the poetic and patriotic name for the United States, was chosen to symbolize liberty and peace.

One of New England's most famous pastors and educators, the Reverend Eleazer Wheelock, served the Crank from 1735 to 1770. He held his first school in his home, as a means of supplementing his income, for English boys preparing for college. In 1743 he allowed a Mohegan Indian named Samson Occum to join the school. In 1754 a farmer named Joshua Moor donated a house and land for a school which was named "Moor's Indian Charity School." By 1762 Wheelock had more than 20 Indian boys and girls preparing to return to their tribes - Pequots, Delawares, Mohawks, Mohegans, Narragansetts, and others - as teachers, preachers, and agriculturists. In 1770, to be closer to the heart of the Indian nation, Reverend Wheelock relocated Moor's Indian Charity School to Hanover, New Hampshire and founded Dartmouth College. Dartmouth College was named in honor of its great benefactor, the Earl of Dartmouth, who secured a contribution of 200 pounds sterling for the funding of education for Native Americans from King George at the request of Reverend Wheelock's first Indian student, Samson Occum.

Columbia's historic town green is a delightful assemblage of homes, small neighborhood businesses and cultural institutions that strongly reflect the image and character of the Town. Columbia contains a large amount of undeveloped, privately held open space. The Town owns two public recreation areas. Columbia Lake, originally a reservoir built in 1865 by the American Thread Company of Willimantic as an additional source of water for power, covers approximately 375 acres with a circumference of five miles and provides a Town beach and boat launch area for Town residents. The Town also owns a 70-acre recreation field on Hennequin Road. Columbia Lake and Mono Pond are the Town's two major water bodies, serving a variety of functions, aquatic and wildlife habitats, and recreational opportunities for swimming, boating and fishing.

Columbia is bordered by the Towns of Coventry and Mansfield to the north, Windham and Lebanon to the east, Colchester to the south, and Hebron and Andover to the west. Largely a residential community, Columbia's residents generally commute to other towns to work. A few remaining farms help to define the rural agricultural character of the community. Properties around Columbia Lake remain a major draw to the Town.

The Town covers an area of 21.8 square miles in east-central Connecticut approximately 24 miles east of Hartford and has a population of 5,286 according to the most recent U.S. Census Bureau, 2019-23 American Community Survey. The Town is traversed by state routes 6, 66 and 87. Route 66 provides access to Windham or Route 2 to Hartford while Route 6 provides access to interstate routes 384 and 84 to Hartford and Boston. Intrastate buses provide passenger transportation. Bradley International Airport is located approximately 35 miles away in Windsor Locks, Connecticut, and at Windham Airport is located approximately 6 miles away in nearby Windham, Connecticut.

## **FORM OF GOVERNMENT**

The Town of Columbia has a Board of Selectmen-Town Meeting form of government with a Financial Planning and Allocation Commission ("FIPAC"). The Board of Selectmen consists of the First Selectman and four additional elected members serving concurrent four-year terms. The FIPAC consists of seven elected members serving overlapping four-year terms. Powers and privileges are conferred and granted to the Town by the Connecticut General Statutes and a Charter that was adopted in 1972 and most recently revised in December 2021. The legislative power of the Town is vested with the Town Meeting. The Town Meeting must approve the annual town budget and all special appropriations or expenditures and bond and note authorizations for amounts not in excess of \$500,000. All appropriations or authorizations for the issuance of bonds, notes or other borrowings exceeding \$500,000 must be approved by referendum after being recommended by the Board of Selectmen and discussion at a Town Meeting. The First Selectman, who is an elected member of the Board of Selectmen, is the chief executive officer of the Town and is a full voting and participating member of the Board of Selectmen. The Town Administrator is responsible to, and works under the direction of, the First Selectman and the Board of Selectmen. The Town Administrator is responsible for the administration of all non-elected departments and agencies of the Columbia municipal government.

The FIPAC is the budget-making authority of the Town. A proposed annual town budget is presented to the FIPAC by the Board of Selectmen. After modifications are made by the FIPAC and reviewed with the Board of Selectmen and Board of Education, the FIPAC holds one or more public hearings and the proposed budget is submitted to the Town Meeting. The FIPAC sets a tax rate upon approval of the annual town budget at Town Meeting. The annual town budget may be submitted to referendum if a petition is filed in accordance with Section 7-7 of the Connecticut General Statutes.

The Town's Finance Department, led by the Finance Director, provides financial services to the Town and the Board of Education. The Town Charter establishes the existence of a Fiscal Policy Board which is chaired by the Finance Director. In addition to the Finance Director, the Fiscal Policy Board consists of the First Selectman, the Chairperson of the Board of Education, the Chairperson of FIPAC, the Superintendent of Schools, and the Town Administrator. The purpose of the Fiscal Policy Board is to advise and be advised by the Finance Director on all Town financial issues and/or policies.

The local Board of Education, which is an elected seven-member board with each member serving four-year overlapping terms, is the policy-making body for all public education in the Town, grades pre-kindergarten through eight. The Superintendent of Schools is directly responsible to the Board of Education for the supervision and administration of the Town's educational system.

The Town has the power to incur indebtedness by issuing bonds and/ or notes as provided by the Connecticut General Statutes and the Town Charter.

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## PRINCIPAL TOWN OFFICIALS

Office	Name	Manner of Selection	Years of Service
First Selectman.....	Steven Everett.....	Elected - 4 Years	7 Years
Selectman.....	Christopher Lent.....	Elected - 4 Years	3 Years
Selectman.....	Judy Ortiz.....	Elected - 4 Years	7 Years
Selectman.....	Lisa Napolitano.....	Elected - 4 Years	7 Years
Selectman.....	William O'Brien.....	Elected - 4 Years	9 Years
Town Administrator.....	Mark Walter.....	Appointed	8 Years
Finance Director/Treasurer.....	Beverly Ciurylo <sup>1</sup> .....	Appointed	17 Years
Chairman, Financial Planning & Allocation Commission...	Kelley Peck.....	Elected - 4 Years	Less than 1 year
Tax Collector.....	Janice Clauson.....	Appointed	4 months
Town Clerk.....	Robin Kenefick.....	Appointed	31 Years
Assessor.....	Mary Hawley.....	Appointed	19 Years
Superintendent of Schools.....	Barbara Wilson.....	Appointed	2 Years
Chairman, Board of Education.....	Michael Maziarz.....	Elected - 4 Years	4 Years

<sup>1</sup> Serves as both the Finance Director and Treasurer which are appointed positions.

Source: Town Officials.

## SUMMARY OF MUNICIPAL SERVICES

**Police:** Police protection is provided by a Resident State Trooper and Troop K of the Connecticut State Police Department. The Resident State Trooper is also assisted by two Marine Patrol Officers during the summer lake season.

**Fire Service:** Fire protection is provided by the Columbia Volunteer Fire Department, organized in 1947. All fire-fighting equipment and apparatus, including three engine tankers, one rescue vehicle, one ambulance, and one service truck, are owned by the Town. The Department owns and operates one station strategically located in the center of Town.

**Emergency Medical Service:** Ambulance and emergency response service is provided by the Town's Volunteer Fire Department ("VFD"), operating autonomously of the Town. The VFD has been designated the primary responder for the Town by the State of Connecticut Emergency Medical Service. The Town assists the VFD by furnishing all necessary equipment and one ambulance. The VFD has an agreement with Windham Community Memorial Hospital to provide emergency medical technician services to the Town.

**Health:** The Town contracts a part-time Health Director and a part-time Sanitarian through the Eastern Highland Health District for required inspections and testing for site development purposes. Town residents receive limited social service resources from the Town with the remainder of such services being furnished by United Services, Inc., a private not-for-profit community health agency. United Services provides a wide range of human services, while the Visiting Nurses Association ("VNA") East provides nursing, physical, speech and occupational therapy, and home health care services. The Town has a part-time staff person to handle social needs as an initial resource for residents.

**Recreation and Open Space:** Columbia has approximately 1,000 acres of open space with approximately 600 acres developed for private or public recreation uses. Included in the private recreation category is the 115-acre Camp Astowamah, which is the oldest church camp in the United States. Columbia Lake represents approximately 220 acres of Town-owned recreation facilities. The State of Connecticut Department of Environmental Protection owns the 181-acre Mono Pond as part of the National Heritage Trust Program. The area is open to the public for fishing, hiking and canoeing. Twenty-five additional acres were added in 2000.

The Recreation Council, a nonprofit corporation, oversees the recreational/sport activities within the Town, while the Town manages the 68-acre recreation area on Hennequin Road. Facilities include Little League, baseball, soccer, pickleball, volleyball and softball fields, tennis courts, a playscape, and a utility building consisting of bathrooms, a concession stand and storage space.

The Town beach located on Columbia Lake is a favorite summer spot for Town residents and is open to the public. The facilities include a sand beach, swimming areas, a boat house, and a Victorian house that has been refurbished for use as a beach house and meeting place. The Town beach area also includes a boat launch area for resident to launch a variety of vessels.

**Library:** The Columbia Public Library provides a variety of programs for children and adults throughout the year. The library currently contains over 66,000 physical items for borrowing including books, periodicals, movies, music, magazines, and downloadable audio and electronic books. The library circulated 53,732 items last year. The library offers full Internet access as well as up-to-date word processing and spreadsheet capabilities. Users can access the library’s on-line catalog and other databases from their home computers through the library’s web page.

**Public Works:** The Public Works Department consists of a Director and six full-time employees responsible for the maintenance of all Town roads, parks, and Town-owned public land as well as operation of the recycling center.

**Facilities:** The Town Facilities Department consists of a Manager and one full-time and one part-time maintainer to repair and maintain all of the Town buildings and facilities which are used by both the Town staff and residents.

**Community Center:** Yeomans Hall, Senior Center and The History Place are Town-owned facilities serving as meeting locations for governmental, civic and youth group meetings. Residents of the Town may also rent these facilities for private use.

**Senior Center:** A one-story, 4,800-square-foot facility was constructed in 1997 as a free-standing and fully accessible Senior Center. Funding for the center was provided by a State grant, Town contribution and numerous donations from community members. There are currently more than 258 Town residents participating in various activities and programs, many on a daily basis. The Town's current senior population is 1,043.

**Sewers:** The Town of Columbia does not have public sewer facilities. Developed properties are served by private septic systems.

**Solid Waste:** Town residents either take their solid waste directly to the Town-owned and operated recycling/transfer station or privately contract with commercial haulers for said purpose. The Town is operating under a three-year contract which was effective July 2025 with Casella Waste Systems (“Casella”) to haul solid waste from the Town’s transfer station to Casella’s Willimantic facility. The current disposal cost for municipal solid waste is \$102.30 per ton in addition to a \$176.55 hauling rate fee load.

**Water:** The Town of Columbia does not have public water facilities. Developed properties are served by private on-site wells.

**Utilities:** Electricity is provided by Eversource Energy (previously Connecticut Light and Power Company).

**TOWN EMPLOYEES**

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
General Government.....	51	45	45	44	50
Board of Education.....	96	96	94	104	101
<b>Total.....</b>	<b>147</b>	<b>141</b>	<b>139</b>	<b>148</b>	<b>151</b>

Source: Town Officials.

## MUNICIPAL EMPLOYEES' BARGAINING UNITS

<b>Organization</b>	<b>Number of Employees</b>	<b>Current Contract Expiration</b>
<b><u>General Government</u></b>		
No Town Bargaining Units.....	N/A	N/A
<b><u>Board of Education</u></b>		
Administration - Columbia Association of Administrators.....	3	June 30, 2027
Teachers - Columbia Educational Association.....	56	June 30, 2027
Non-Certified - Local 1303-377 of Council #4, AFSCME.....	25	June 30, 2027
Total Board of Education.....	84	
<b>Total General Government and Board of Education.....</b>	<b>84</b>	

Source: Town of Columbia.

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of teachers' contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

### EDUCATION SYSTEM

The Columbia school system serves grades pre-kindergarten through eight and is governed by the local Board of Education. Columbia has a seven-member Board of Education with each member elected to four-year staggered terms. The primary function of the Board is to establish educational policy for the Town. Some of the areas for which such policies are set include curriculum, budget requests submission, ensuring funds for education as appropriated by the Town are properly expended, implementation of both State and Federal laws, and planning for facilities needed by the system, including construction and renovation.

The Town has one school for grades pre-kindergarten through eight and sends students in grades nine through twelve to either Bolton High School or E.O. Smith High School which is part of Regional School District Number 19, on a tuition basis or to the Windham Technical High School which is funded by the State of Connecticut. Commencing in the fall of 2025, RHAM High School will constitute another high school option for Columbia residents. Enrollment in grades pre-kindergarten through eight as of October 1, 2024 was 449 with a design capacity of 750.

### SCHOOL FACILITIES

<b>School</b>	<b>Grades</b>	<b>Date of Construction</b>	<b>Date of Additions/ Renovation</b>	<b>Number of Classrooms</b>	<b>Enrollment 2024-2025</b>	<b>Rated Capacity</b>
Horace W. Porter School...	Pre-K-8	1948	2001	50	440	750
<b>Total .....</b>				<b>50</b>	<b>440</b>	<b>750</b>

Source: Board of Education, Town of Columbia.

## SCHOOL ENROLLMENT AND PROJECTIONS

<b>School Year</b>	<b>Grades Pre-K-8</b>	<b>Grades 9-12 <sup>1</sup></b>	<b>Other <sup>2</sup></b>	<b>Total</b>
<i>Historical</i>				
2020-21	401	200	51	652
2021-22	439	184	56	679
2022-23	460	163	52	675
2023-24	477	151	56	684
2024-25	440	197	23	660
<i>Projected</i>				
2025-26	447	204	n/a	651
2026-27	439	226	n/a	665
2027-28	432	233	n/a	665
2028-29	431	241	n/a	672
2029-30	438	227	n/a	665

<sup>1</sup> Columbia School System offers three designated high schools for matriculation: Bolton High School, E.O. Smith High School (RSD #19) and Windham Technical High School. Commencing in the fall of 2025, RHAM High School will be another option available to Town students.

<sup>2</sup> Outplacements, magnet students

Source: Board of Education, Town of Columbia.

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### III. ECONOMIC AND DEMOGRAPHIC INFORMATION

#### POPULATION TRENDS

Year	Town of Columbia			Capital Planning Region <sup>3</sup>	State of Connecticut
	Population <sup>1</sup>	% Increase	Density <sup>2</sup>	Population	Population
1990	4,510	33.2	207	128,699	3,287,116
2000	4,971	10.2	228	126,364	3,405,565
2010	5,425	9.1	249	151,073	3,574,097
2020	5,402	(0.4)	248	150,947	3,570,549
2023	5,268	(2.5)	242	969,029	3,598,348

<sup>1</sup> U.S. Department of Commerce, Bureau of Census, 1990 – 2023

<sup>2</sup> Per square mile: 21.8 square miles.

<sup>3</sup> Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Prior to this adjustment, Hartford County data had been used.

#### AGE DISTRIBUTION OF THE POPULATION

Age	Town of Columbia		Capital Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Under 5.....	154	2.9	49,427	5.1	181,240	5.0
5 - 9.....	165	3.1	52,684	5.4	195,390	5.4
10 - 14.....	250	4.7	58,663	6.1	217,297	6.0
15 - 19.....	157	3.0	64,550	6.7	238,145	6.6
20 - 24.....	209	4.0	67,854	7.0	233,423	6.5
25 - 34.....	803	15.2	125,901	13.0	449,771	12.5
35 - 44.....	618	11.7	124,288	12.8	451,461	12.5
45 - 54.....	723	13.7	120,303	12.4	462,543	12.9
55 - 59.....	423	8.0	68,840	7.1	260,758	7.2
60 - 64.....	473	9.0	65,012	6.7	257,548	7.2
65 - 74.....	898	17.0	98,478	10.2	376,023	10.4
75 - 84.....	296	5.6	49,101	5.1	187,378	5.2
85 and over..	99	1.9	23,928	2.5	87,371	2.4
Total .....	5,268	100.0	969,029	100.0	3,598,348	100.0
Median Age (years) .....	49.6		40.2		41.2	

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

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## INCOME DISTRIBUTION

	<b>Town of Columbia</b>		<b>Capital Planning Region</b>		<b>State of Connecticut</b>	
	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>
Less than \$10,000 .....	0	0.0	6,510	2.6	22,973	2.5
\$ 10,000 to 14,999 .....	0	0.0	3,252	1.3	12,547	1.4
\$ 15,000 to 24,999 .....	8	0.5	8,127	3.3	29,893	3.3
\$ 25,000 to 34,999 .....	0	0.0	9,460	3.9	35,598	3.9
\$ 35,000 to 49,999 .....	352	21.6	17,197	7.0	61,793	6.7
\$ 50,000 to 74,999 .....	67	4.1	27,693	11.3	108,046	11.8
\$ 75,000 to 99,999 .....	124	7.6	30,649	12.5	108,216	11.8
\$100,000 to 149,999 ..	467	28.7	51,601	21.0	185,242	20.2
\$150,000 to 199,999 ..	358	22.0	37,017	15.1	128,574	14.0
\$200,000 or more .....	254	15.6	54,188	22.1	224,258	24.5
Total .....	<u>1,630</u>	<u>100.0</u>	<u>245,694</u>	<u>100.0</u>	<u>917,140</u>	<u>100.0</u>

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

## INCOME LEVELS

	<b>Town of Columbia</b>	<b>Capital Planning Region <sup>1</sup></b>	<b>State of Connecticut</b>
Per Capita Income, 2023.....	\$55,393	\$49,924	\$54,409
Per Capita Income, 2020.....	\$51,078	\$41,537	\$45,668
Per Capita Income, 2010.....	\$36,865	\$33,108	\$36,775
Per Capita Income, 2000.....	\$29,446	\$25,474	\$28,766
Median Family Income, 2023.....	\$124,297	\$118,964	\$120,011
Median Family Income, 2020.....	\$106,205	\$113,232	\$102,061
Median Family Income, 2010.....	\$102,353	\$91,631	\$84,170
Median Family Income, 2000.....	\$77,665	\$70,856	\$65,521
Percent Below Poverty Level 2023.....	0.5%	6.9%	6.8%

<sup>1</sup> Starting with the 2019-2023 American Community Survey data, the area was adjusted to reflect the Capital Planning Region. Prior to this adjustment, Hartford County data was used.

Source: U.S. Department of Commerce, Bureau of Census, 2020, 2010, 2000; U.S. Census Bureau, 2019-2023 American Community Survey.

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**EDUCATIONAL ATTAINMENT**  
Years of School Completed Age 25 and Over

	<b>Town of Columbia</b>		<b>Capital Planning Region</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	421	9.7	25,463	3.8	101,530	4.0
9th to 12th grade.....	118	2.7	34,247	5.1	118,019	4.7
High School graduate.....	1,159	26.7	169,580	25.1	647,094	25.5
Some college - no degree.....	926	21.4	110,639	16.4	410,591	16.2
Associates degree.....	258	6.0	55,519	8.2	193,216	7.6
Bachelor's degree.....	792	18.3	154,618	22.9	581,935	23.0
Graduate or professional degree.....	659	15.2	125,785	18.6	480,468	19.0
Total.....	<u>4,333</u>	<u>100.0</u>	<u>675,851</u>	<u>100.0</u>	<u>2,532,853</u>	<u>100.0</u>
Percent High School Graduate or Higher..		87.6%		91.2%		91.3%
Percent Bachelor's Degree or Higher.....		33.5%		41.5%		41.9%

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

**MAJOR EMPLOYERS**

<b>Employer</b>	<b>Nature of Business</b>	<b>Estimated Number of Employees</b>
Columbia Manufacturing, Inc.....	Small Tool Manufacturer.....	75-100
Gates Automotive Group/Columbia Ford.....	Car Dealership.....	75-100
Town of Columbia.....	Municipality.....	75-100
Camp Care Inc.....	Camps.....	20-49
Center Church Camp.....	Camps.....	20-49
Discovery Zone Learning Center.....	Child Care Services.....	20-49
EASTCONN.....	Public Education Authority.....	20-49
The Main Moose.....	Restaurant.....	20-49
Taylor Metals LLC.....	Metal Goods - Manufacturers.....	20-49
WILE Hyundai.....	Car Dealership.....	20-49
Crossroads Physical Therapy/Fitness.....	Physical Therapy.....	10-19
Dunkin Donuts.....	Restaurant.....	10-19
Hawk Integrated Plastics LLC.....	Plastics Manufacturers.....	10-19

Source: Town Officials and Connecticut Department of Labor.

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## EMPLOYMENT BY INDUSTRY

	Capital Planning					
	Town of Columbia		Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fisheries.....	0	0.0	1,896	0.4	7,261	0.4
Construction.....	295	11.0	25,479	5.1	112,821	6.1
Manufacturing.....	256	9.5	53,698	10.8	195,355	10.6
Wholesale trade.....	94	3.5	10,772	2.2	37,294	2.0
Retail trade.....	179	6.7	52,165	10.5	192,535	10.5
Transportation & warehousing & utilities...	96	3.6	27,064	5.4	84,571	4.6
Information.....	27	1.0	8,112	1.6	36,631	2.0
Finance, insurance, real estate.....	202	7.5	51,930	10.5	162,724	8.9
Professional, scientific & management.....	362	13.5	56,853	11.4	223,982	12.2
Educational, health & social services.....	710	26.5	131,615	26.5	490,839	26.7
Arts, entertainment & recreation.....	82	3.1	36,610	7.4	145,445	7.9
Other professional services.....	227	8.5	19,874	4.0	78,662	4.3
Public administration.....	154	5.7	20,758	4.2	67,335	3.7
Total.....	2,684	100.0	496,826	100.0	1,835,455	100.0

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

## EMPLOYMENT DATA

Yearly Average	Percentage Unemployed			
	Town of Columbia	Hartford Labor Market	State of Connecticut <sup>1</sup>	United States <sup>1</sup>
	%	%	%	%
2015	4.8	5.6	5.6	5.3
2016	4.0	4.9	4.8	4.9
2017	3.5	4.4	4.4	4.4
2018	3.2	3.9	3.9	3.9
2019	3.1	3.6	3.6	3.7
2020	5.9	7.8	8.0	8.1
2021	4.8	6.4	6.4	5.4
2022	3.4	4.1	4.1	3.7
2023	2.9	3.2	3.2	3.6
2024	2.6	3.2	3.2	4.0
<b>2025 Monthly</b>				
January	4.0	3.9	4.0	4.4
February	4.4	4.4	4.5	4.5
March	4.1	4.1	4.1	4.2

<sup>1</sup> Not seasonally adjusted.

Source: Department of Labor, State of Connecticut.

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## AGE DISTRIBUTION OF HOUSING

Year Built	Town of Columbia		Capital Planning Region		State of Connecticut	
	Units	Percent	Units	Percent	Units	Percent
1939 or earlier.....	165	7.4	75,663	18.2	313,434	20.4
1940 - 1949.....	151	6.8	27,309	6.6	95,842	6.2
1950 - 1959.....	272	12.3	69,489	16.7	221,879	14.4
1960 - 1969.....	130	5.9	58,758	14.1	198,807	12.9
1970 - 1979.....	292	13.2	54,681	13.2	210,611	13.7
1980 - 1989.....	427	19.3	53,601	12.9	197,533	12.9
1990 - 1999.....	478	21.6	31,067	7.5	116,617	7.6
2000 - 2009.....	204	9.2	26,176	6.3	108,430	7.1
2010 - 2019.....	99	4.5	16,959	4.1	66,546	4.3
2020 or later.....	0	0.0	1,566	0.4	6,350	0.4
Total.....	2,218	100.0	415,269	100.0	1,536,049	100.0
Percent Owner Occupied.....	83.6%		65.4%		66.2%	

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

## HOUSING INVENTORY

Type	Town of Columbia		Capital Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1-unit, detached.....	1,944	87.6	234,805	56.5	901,187	58.7
1-unit, attached.....	7	0.3	25,839	6.2	95,202	6.2
2 units.....	254	11.5	28,385	6.8	118,295	7.7
3 or 4 units.....	0	0.0	38,052	9.2	126,755	8.3
5 to 9 units.....	0	0.0	24,575	5.9	76,750	5.0
10 to 19 units.....	0	0.0	17,839	4.3	55,290	3.6
20 or more units.....	0	0.0	43,225	10.4	150,986	9.8
Mobile home, boat, other.....	13	0.6	2,549	0.6	11,584	0.8
Total .....	2,218	100.0	415,269	100.0	1,536,049	100.0

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

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## OWNER-OCCUPIED HOUSING VALUES

Sales Price Category	Town of Columbia		Capital Planning Region		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000 .....	13	0.7	5,845	2.3	22,174	2.4
\$ 50,000 to \$ 99,999 ...	15	0.8	4,305	1.7	15,116	1.6
\$ 100,000 to \$149,999 ...	10	0.6	10,893	4.3	38,832	4.1
\$ 150,000 to \$199,999 ...	64	3.6	26,083	10.3	77,152	8.2
\$ 200,000 to \$299,999 ...	655	36.9	81,570	32.1	233,824	24.9
\$ 300,000 to \$499,999 ...	877	49.4	90,636	35.6	319,703	34.0
\$ 500,000 to \$999,999 ...	128	7.2	31,964	12.6	173,643	18.5
\$1,000,000 and over .....	13	0.7	3,128	1.2	59,468	6.3
Total .....	1,775	100.0	254,424	100.0	939,912	100.0
Median Value.....	\$321,500		\$298,200		\$343,200	

Source: U.S. Census Bureau, 2019-2023 American Community Survey.

## BUILDING PERMITS

Fiscal Year Ending 6/30	Residential		Commercial and Industrial		Total	
	Number	Value	Number	Value	Number	Value
2025 <sup>1</sup>	428	\$ 9,775,718	29	\$ 6,585,149	457	\$16,360,867
2024	508	9,347,591	36	2,241,759	544	11,589,350
2023	490	7,716,448	17	612,311	507	8,328,759
2022	474	7,207,358	14	118,500	488	7,325,858
2021	546	9,635,580	14	109,860	560	9,745,440
2020	380	4,541,097	18	400,798	398	4,941,895
2019	419	4,928,998	10	675,700	429	5,604,698
2018	415	3,444,348	16	806,385	431	4,250,733
2017	461	6,566,357	6	95,628	467	6,661,985
2016	541	7,000,110	14	2,066,945	555	9,067,055

<sup>1</sup> As of May 2, 2025.

Source: Building Department, Town of Columbia.

## LAND USE SUMMARY

Classification	Total Area		Developed		Undeveloped	
	Acreage	%	Acreage	%	Acreage	%
Residential.....	9,116	67.3%	7,533	55.6%	1,583	11.7%
Commercial/Industrial....	1,850	13.7%	492	3.6%	1,358	10.0%
Forest.....	329	2.4%	0	0.0%	329	2.4%
Farm.....	2,250	16.6%	0	0.0%	2,250	16.6%
<b>Total Area.....</b>	<b>13,544</b>	<b>100.0%</b>	<b>8,025</b>	<b>59.3%</b>	<b>5,519</b>	<b>40.7%</b>

Source: June 30, 2019, Assessor's Office, Town of Columbia.

## IV. TAX BASE DATA

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### ASSESSMENTS

The Town had a general property revaluation of its real property, with a physical full inspection, effective October 1, 2021. The next revaluation is scheduled for the assessment year commencing October 1, 2026. Section 12-62 of the Connecticut General Statutes, as amended, requires a revaluation every five years based on generally accepted mass appraisal methods and a revaluation of the Town's real property by physical inspection no later than ten years from the preceding physical inspection. Prior to the completion of each revaluation, the Assessor shall conduct a field review. A 2006 statute permits a municipality, upon approval of its legislative body, to phase-in a real property assessment increase resulting from a revaluation over a period of up to five years. Various state statutes provide for or authorize exemptions, abatement and other adjustments to assessments. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. Municipalities may choose to phase-in real property assessment increases resulting from a revaluation, but such phase-in must be implemented in less than five assessment years. The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion onto the Grand List are the responsibilities of the Town's Assessor's Office. The Grand List represents the total assessed values for all taxable and non-taxable real and personal property and motor vehicles located within the Town on October 1. Each year, the Town's Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at 70% of the estimated market value at the time of the last general revaluation, while assessments for personal property and motor vehicles are computed at 70% of the current fair market value.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Official. A physical appraisal is then completed and the structure is classified and priced from a schedule developed at the time of the last general revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

All personal property (furniture, fixtures, equipment, and machinery) is revalued annually. An assessor's check and audit is completed periodically.

Motor vehicle lists are furnished to the Town by the State of Connecticut Department of Motor Vehicles ("DMV"). Section 12-71b of the Connecticut General Statutes, as amended, provides that for assessment years commencing prior to October 1, 2024, motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1, are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List provided such registration occurs prior to November 1. If such registration occurs on or after November 1 but prior to the following August 1, the tax is prorated, and the pro-ration is based on the period of time from the date of registration until the following October 1. For assessment years commencing on or after October 1, 2024, motor vehicles which are registered with the DMV after the October 1 assessment date but before April 1 in such assessment year are subject to a property tax as if the motor vehicle has been included on the October 1 Grand List, provided such registration occurs prior to November 1. If such registration occurs on or after November 1 but prior to October 1, the tax is prorated, and the pro-ration is based on the number of months of ownership, including the month of registration, to the next succeeding October 1. Cars purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits. For assessment years commencing on or after October 1, 2024, assessments for motor vehicles are computed at 70% of the vehicle's depreciated manufacturer's suggested retail price ("MSRP") pursuant to Section 12-63(7) of the Connecticut General Statutes. The Board of Selectman may elect to apply a modified depreciated MSRP pursuant to such statute.

### PROPERTY TAX COLLECTION PROCEDURE

Property taxes are levied on all taxable property on the Grand List of October 1 prior to the beginning of the fiscal year. Real estate and personal property taxes are billed on July 1 and are payable in two installments, one half on July 1 and one half on January 1, except that motor vehicle taxes and real and personal property taxes of \$250 or less are payable in one installment on July 1. Motor vehicle supplemental bills are due and payable on January 1. Payments not received within one month after the due date become delinquent, and interest will accrue at the rate of 1.5% per month (18% per annum) from the due date on the tax. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are lien-ed each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Tax accounts are transferred to a suspense account when collection appears unlikely, at which time they cease to be carried as receivables. Tax accounts must be transferred to a suspense account 15 years after the due date in accordance with state statutes.

Section 12-165 of the Connecticut General Statutes, as amended, requires each municipality to write off, on an annual basis, the property taxes which are deemed to be uncollectible.

## MOTOR VEHICLE PROPERTY TAX RATE

Section 12-71e of the Connecticut General Statutes, as amended, allows municipalities to tax motor vehicles at a different rate than other taxable property provided the motor vehicle mill rate is the lower rate. The statute caps the motor vehicle tax rate at 32.46 mills for the assessment year commencing October 1, 2021 (fiscal year ending June 30, 2023) and each assessment year thereafter. Section 4-66l of the Connecticut General Statutes, as amended, diverts a portion of State collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rate for the October 1, 2023 assessment year (the fiscal year ending June 30, 2025) is 28.12 mills. The Town's mill rate for motor vehicles for the assessment year commencing October 1, 2024 (the fiscal year ending June 30, 2026) is 29.27 mills.

## COMPARATIVE ASSESSED VALUATIONS

<b>Grand List Dated</b>	<b>Real Property (%)</b>	<b>Personal Property (%)</b>	<b>Motor Vehicle Property (%)</b>	<b>Gross Taxable Grand List</b>	<b>Less Exemptions <sup>1</sup></b>	<b>Net Taxable Grand List</b>	<b>% Growth</b>
2024	85.0	6.7	8.3	\$629,975,994	\$42,590,080	\$587,385,914	-1.1%
2023	82.7	6.8	10.4	603,879,175	10,040,290	593,838,885	-0.1%
2022	82.4	6.6	11.0	603,916,016	9,257,478	594,658,538	1.9%
2021 <sup>2</sup>	83.7	5.6	10.7	592,192,461	8,431,390	583,761,071	16.4%
2020	83.4	6.4	10.2	509,426,550	7,709,510	501,717,040	0.8%
2019	84.1	6.2	9.7	503,617,193	5,772,590	497,844,603	0.7%
2018	84.2	6.4	9.4	501,685,399	7,274,200	494,411,199	1.5%
2017	85.3	5.3	9.5	493,815,800	6,689,640	487,126,160	0.4%
2016 <sup>2</sup>	85.5	5.2	9.3	490,944,998	5,918,559	485,026,439	1.7%

<sup>1</sup> Connecticut General Statutes Section 12-81 (72) exempts new manufacturing equipment from property taxation by municipalities.

<sup>2</sup> Revaluation Year.

Source: Assessor's Office, Town of Columbia.

## PROPERTY TAX LEVIES AND COLLECTIONS

<b>Grand List 1-Oct</b>	<b>FY Ending 30-Jun</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Tax Levy</b>	<b>Percent Collected End of Each Fiscal Year</b>	<b>Percent Uncollected End of Each Fiscal Year</b>	<b>Percent Annual Levy Uncollected 6/30/2024</b>	<b>Amount Uncollected as of 6/30/2024</b>
2024	2026	\$587,385,914	29.27	\$16,849,025	N/A	N/A	N/A	N/A
2023	2025	593,838,885	28.12	16,372,188	N/A	N/A	N/A	N/A
2022	2024	594,658,538	25.91	15,479,861	99.0%	1.0%	1.0%	\$150,864
2021 <sup>2</sup>	2023	583,761,071	25.87	15,177,207	99.2%	0.8%	0.5%	70,708
2020	2022	501,717,040	29.33	14,822,283	99.0%	1.0%	0.2%	26,564
2019	2021	497,844,603	29.33	14,669,761	99.0%	1.0%	0.1%	15,811
2018	2020	494,411,199	29.33	14,538,063	98.8%	1.2%	0.0%	1,786
2017	2019	487,126,160	29.33	14,353,172	98.8%	1.2%	0.0%	1,786
2016 <sup>2</sup>	2018	485,026,439	28.88	14,098,934	99.2%	0.8%	0.0%	1,264
2015	2017	476,888,490	27.44	13,180,596	98.4%	1.6%	0.0%	1,200
2014	2016	471,633,257	27.13	12,792,401	98.8%	1.2%	0.0%	1,017
2013	2015	466,098,071	27.13	12,657,031	98.9%	1.1%	0.0%	969

Source: Tax Collector's Office, Town of Columbia.



## TEN LARGEST TAXPAYERS

<b>Business-Name</b>	<b>Nature Of Business</b>	<b>Estimated Assessment</b>	<b>Rank</b>	<b>Percent of Total</b>
		<b>10/1/2024</b>		
Eversource/ Connecticut Light & Power Co. ..	Utility - Electric.....	\$26,427,460	1	4.50%
Columbia Manufacturing Inc.....	Aircraft Engines & Parts Manufacturing...	4,188,060	2	0.71%
EA Patton Company.....	Aerospace Parts Manufacturing.....	4,105,470	3	0.70%
Storage Rentals of America.....	Storage Rentals.....	2,415,280	4	0.41%
DNB LLC/Columbia Manufacturing.....	Aerospace Parts Manufacturing.....	2,061,570	5	0.35%
Tourgate Realty Inc/ Columbia Ford .....	Car Dealership.....	1,465,520	6	0.25%
Algonquin Gas Transmission Co. ....	Natural Gas Transmission.....	1,335,940	7	0.23%
WHL LLC/Wile Hyundai.....	Car Dealership.....	1,274,700	8	0.22%
Englert, Alice M Trustee/Lighthouse Motors..	Car Dealership.....	1,218,280	9	0.21%
OSWA LLC.....	Retail Businesses.....	1,217,860	10	0.21%
<b>Total</b>		<b>\$45,710,140</b>		<b>7.78%</b>

<sup>1</sup> Based on a 10/1/24 Net Taxable Grand List of \$587,385,914.

Source: Assessor's Office, Town of Columbia.

## EQUALIZED NET GRAND LIST

<b>Grand List of 10/1</b>	<b>Equalized Net Grand List</b>	<b>% Growth</b>
2023	\$1,186,512,727	10.48%
2022	1,073,937,625	28.75%
2021	834,132,685	-6.98%
2020	896,764,543	10.52%
2019	811,420,802	2.34%
2018	792,834,395	6.79%
2017	742,444,902	7.13%
2016	693,045,686	-0.85%
2015	698,989,199	-4.61%
2014	732,773,607	3.74%

Source: State of Connecticut, Office of Policy and Management.

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## V. FINANCIAL INFORMATION

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### FISCAL YEAR

The Town's fiscal year begins July 1 and ends June 30.

### BASIS OF ACCOUNTING

#### Accounting Policies

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Please refer to Appendix A "Audited Financial Statements" herein for compliance and implementation details.

The reporting model includes the following segments:

*Management's Discussion and Analysis ("MD&A")* – provides introductory information on basic financial statements and an analytical overview of the Town's financial activities.

*Government-wide financial statements* – consists of a statement of net assets and a statement of activities, which are prepared on the accrual basis of accounting. These statements distinguish between governmental activities and business-type activities and exclude fiduciary (employee retirement system and agency funds). Capital assets, including infrastructure and long-term obligations are included along with current assets and liabilities.

*Fund financial statements* – provides information about the Town's governmental and fiduciary funds. These statements emphasize major fund activity and, depending on the fund type, utilize different basis of accounting.

*Required supplementary information* – in addition to the MD&A, budgetary comparison schedules are presented for the General Fund.

Please refer to Appendix A "Basic Financial Statements" herein for measurement focus and basis of accounting of the government-wide financial statements as well as the fiduciary fund financial statements of the Town of Columbia.

### BUDGETARY PROCEDURES

The Town Administrator or the Finance Director, if designated, shall compile preliminary budget estimates as provided by each Town agency, including the Board of Education, and prepare a recommended Annual Town Budget. Not later than March 15, after review and approval of the recommendation of the Town Administrator or the Finance Director, the Board of Selectmen presents to the Financial Planning and Allocation Commission ("FIPAC") a proposed budget covering all Town expenditures. FIPAC reviews and evaluates the proposed budget to ensure that it meets the financial planning goals and objectives of the Town. FIPAC may modify the proposed budget prior to submitting it to one or more public hearings before May 1. FIPAC submits the proposed budget to the Annual Budget Meeting for approval. If the budget is not adopted at the Annual Budget Meeting, the meeting is adjourned to successive Tuesdays until a budget is adopted. After the Annual Town Budget has been adopted, FIPAC shall meet and set a tax rate at a level sufficient to meet the Annual Town Budget as approved. The budget may be petitioned to a referendum vote in accordance with the Town Charter and Section 7-7 of the Connecticut General Statutes. The Annual Town Budget for Fiscal Year ending 2026 has been adopted.

#### *Municipal Budget Expenditures Cap*

Connecticut General Statutes Section 4-66l, as amended ("Section 4-66l"), creates certain disincentives on increasing adopted budget expenditures for municipalities in Connecticut. Beginning in fiscal year ending 2018, and in each fiscal year thereafter, the State of Connecticut Office of Policy and Management ("OPM") must reduce the amount of the municipal revenue sharing grant for those municipalities whose increase in its adopted budget expenditures, with certain exceptions, exceeds the previous fiscal year by 2.5% or more or the rate of inflation, whichever is greater (the "expenditure cap"). The reduction to the municipal revenue sharing grant will generally equal 50 cents for every dollar by which the municipality's adopted budget exceeds the expenditure cap. A municipality whose population increased from the previous fiscal year, as determined by OPM, may increase its adopted budget expenditures over the expenditure cap by an amount proportionate to its population growth. Section 4-66l requires each municipality to annually certify to the Secretary of OPM whether the municipality has exceeded the expenditure cap, and if so, the amount by which the expenditure cap was exceeded. The Connecticut General Assembly

recently adopted legislation which prohibits OPM from penalizing municipalities that exceed the expenditures cap for fiscal year 2026.

Under Section 4-661, municipal spending does not include expenditures: (i) for debt service, special education, or costs to implement court orders or arbitration awards; (ii) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; (iii) for any municipal revenue sharing grant the municipality disburses to a district; or (iv) budgeting for an audited deficit, non-recurring grants, capital expenditures of \$100 or more or payments on unfunded pension liabilities. For the fiscal year ending June 30, 2024, the Town's municipal revenue sharing grant from the State of Connecticut was \$28,393. The Town received \$28,393 any in municipal revenue sharing funds for fiscal year ending June 30, 2025.

## **ANNUAL AUDIT**

Pursuant to the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes), the Town is obligated to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by OPM, and a copy of said audit report must be filed with the OPM. The Town is in full compliance with said provisions. For the fiscal year ended June 30, 2024, the financial statements of the Town were audited by the firm of King, King & Associates, P.C., Winsted, Connecticut.

## **PENSION PLANS**

### ***Connecticut State Teachers' Retirement System***

The faculty and professional personnel of the Board of Education are eligible to participate in the State of Connecticut Teachers' Retirement System, a multiple-employer public employees retirement system described in the Connecticut General Statutes Chapter 167a. The system has been established to provide retirement, disability, survivorship, health insurance and other benefits for teachers, their survivors and beneficiaries. The financial report for the system may be obtained through the Connecticut State Teachers' Retirement Board.

Certain part-time and all full-time certified teachers are eligible to participate in this plan and are required to contribute 8.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan. After five years of service, teachers are vested in their own contributions. After ten years of service, teachers are fully vested in the monthly pension benefit which is payable at the age of sixty. The State of Connecticut contributes based on actuarially determined amounts.

### ***Board of Education Non-Certified and Administration Retirement 403(b) Plans***

All non-certified Board of Education employees are eligible to participate in an employer matching contribution 403(b) tax shelter annuity plan upon hire. In 2013, the plan was amended to include administrative employees. The Board of Education makes a 6% contribution based on an employee's date of eligibility.

### ***Town Employees – Money Purchase Plan (403(b))***

The Town maintains a single-employer defined-contribution money purchase plan that covers part-time and full-time employees who fulfill specified requirements. The plan is administered and amended by the Town. The plan covers all employees, nonunion and union, who have completed one month of service and work 1,000 hours or more per year. The Town contributes 7% of an eligible employee's pay. All employees become 100% vested immediately after entering the plan. Employees are not required to make contributions to this plan.

### ***Section 457 Plan***

The Town offers employees that are permanent, non-seasonal, non-temporary, non-interim, and scheduled to work 1,000 hours or more per fiscal year deferred compensation pension plan. The Town is required by the plan to contribute up to 3% match depending on the employee's contribution. Contributions are placed into individual participant accounts, where funds are invested in mutual funds at the employees' discretion.

***Please refer to the Town of Columbia's "Notes to the Financial Statements", Note 9, in "Appendix A" herein for further information on the Town's Pension Plans.***

**OTHER POST-EMPLOYMENT BENEFITS**

The Town has established and administers the Town of Columbia Post-Retirement Medical Insurance Program that provides post-employment healthcare benefits for retired employees of the Town Hall departments, teachers, administrators, and certain other Board of Education retirees. Depending on the plan selected, retirees would pay 100% of the cost. The Town appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75.

The following presents the total OPEB liability, calculated using the current discount rate of 3.93%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>2.93%</b>	<b>3.93%</b>	<b>4.93%</b>
Total OPEB liability as of June 30, 2024	\$ 322,371	\$ 299,402	\$ 278,573

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate.

	<b>1% Decrease</b>	<b>Current Trend Rate</b>	<b>1% Increase</b>
Total OPEB liability as of June 30, 2024	\$ 273,587	\$ 299,402	\$ 328,736

***Connecticut State Teachers’ Retirement System***

The Connecticut State Teachers’ Retirement System (“TRS”) provides other post-employment benefits to plan members and their beneficiaries. Teachers, principals, superintendents and supervisors are eligible to participate in the plan. TRS is governed by Connecticut General Statute (“CGS”) Title 10, Chapter 167a. Detailed information about the Connecticut State Teachers OPEB Plan is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at [www.ct.gov/trb](http://www.ct.gov/trb).

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

***Please refer to the Town of Columbia’s “Notes to the Financial Statements”, Note 9, in “Appendix A” herein for further information on the Town’s Other Post-Employment Benefits.***

**INVESTMENT PRACTICES**

Sections 7-400 and 7-402 of the Connecticut General Statutes govern the investments that the Town is permitted to make. Generally, the Town may invest in certificates of deposit, municipal bonds and notes, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government and money market mutual funds.

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**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
 Budget and Actual  
 (Budgetary Basis)

	<b>Fiscal Year 2023-24</b>			<b>Fiscal Year 2024-25</b>	<b>Fiscal Year 2025-26</b>
	<b>Final Budget</b>	<b>Actual Operations</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
<b>REVENUES</b>					
Property Taxes .....	\$ 15,245,646	\$ 15,536,245	\$ 290,599	\$ 16,520,070	\$ 16,996,675
Intergovernmental .....	2,577,759	2,560,234	(17,525)	2,674,877	2,416,045
Licenses, Fees, Fines & Charges.....	183,550	254,723	71,173	197,800	222,300
Investment Income.....	35,000	84,711	49,711	75,000	75,000
Other Income.....	201,500	249,015	47,515	238,750	239,450
Appropriation of Fund Balance.....	1,625,600	-	(1,625,600)	375,000	820,000
Transfers In.....	10,000	6,143	(3,857)	10,000	10,000
<b>TOTAL REVENUES .....</b>	<b>19,879,055</b>	<b>18,691,071</b>	<b>(1,187,984)</b>	<b>20,091,497</b>	<b>20,779,470</b>
<b>EXPENDITURES</b>					
General Government .....	2,006,407	1,839,970	166,437	2,070,674	2,213,539
Health & Human Services.....	390,347	362,850	27,497	393,377	391,831
Public Safety.....	538,979	516,061	22,918	549,628	534,826
Public Works.....	996,837	963,446	33,391	1,155,894	1,222,845
Building & Development Services.....	458,103	442,976	15,127	498,325	550,601
Recreation.....	676,066	649,265	26,801	685,239	731,872
Contingency.....	29,010	-	29,010	78,000	78,000
Education.....	13,614,762	13,371,842	242,920	14,009,766	14,503,975
Other.....	-	-	-	-	-
Debt Service.....	-	-	-	-	220,000
Transfers Out.....	1,168,544	1,168,544	-	650,594	331,981
<b>TOTAL EXPENDITURES .....</b>	<b>19,879,055</b>	<b>19,314,954</b>	<b>564,101</b>	<b>20,091,497</b>	<b>20,779,470</b>
Excess (deficiency) of revenues over expenditures .....	<u>\$ -</u>	<u>\$ (623,883)</u>	<u>\$ (623,883)</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Annual Audited Financial Statement; Adopted Budget Fiscal Year 2024-25; Adopted Budget Fiscal Year 2025-26.

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**GENERAL FUND BALANCE SHEET**  
Summary of Audited Assets and Liabilities  
(GAAP Basis)

<b>FISCAL YEAR ENDED:</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>					
Cash and cash equivalents .....	\$ 5,980,900	\$ 6,376,974	\$ 6,803,502	\$ 6,469,682	\$ 6,065,436
State and federal grants receivable.....	-	-	11,801	10,606	8,700
Restricted cash.....	131,050	139,209	-	-	-
Receivables, net of allowance.....	393,684	306,969	-	-	-
Other receivables.....	-	-	15,525	13,814	93,399
Interfund receivables.....	-	-	2	-	226
Property taxes receivable, net.....	-	-	147,896	271,730	169,726
Interest receivable.....	-	-	84,081	63,262	-
Prepays.....	50,605	45,516	28,993	43,176	48,016
Due from other funds.....	-	2,875	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 6,556,239</b>	<b>\$ 6,871,543</b>	<b>\$ 7,091,800</b>	<b>\$ 6,872,270</b>	<b>\$ 6,385,503</b>
<b>LIABILITIES</b>					
Accounts payable and accrued items.....	\$ 862,367	\$ 983,263	\$ 924,566	\$ 991,587	\$ 895,249
Unearned revenue .....	72,792	5,903	22,051	28,479	-
Deferred revenue.....	-	-	-	-	10,730
Performance bonds.....	131,050	139,209	-	-	-
Interfund payables.....	-	-	145,954	162,226	204,990
Due to other funds.....	171,472	159,467	-	-	-
<b>Total Liabilities .....</b>	<b>1,237,681</b>	<b>1,287,842</b>	<b>1,092,571</b>	<b>1,182,292</b>	<b>1,110,969</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned revenue:					
Proepaid property taxes.....	-	9,198	-	-	-
Unavailable revenues:					
Property taxes and interest.....	295,446	238,665	159,906	261,274	125,648
<b>TOTAL DEFERRED INFLOWS.....</b>	<b>295,446</b>	<b>247,863</b>	<b>159,906</b>	<b>261,274</b>	<b>125,648</b>
<b>FUND BALANCE</b>					
Nonspendable .....	50,605	45,516	28,993	43,176	48,016
Restricted .....	-	-	-	-	-
Committed .....	305,000	315,509	306,221	313,637	333,049
Assigned .....	724,869	1,328,203	971,401	558,360	441,042
Unassigned .....	3,942,638	3,646,610	4,532,708	4,513,531	4,326,779
<b>TOTAL FUND BALANCE.....</b>	<b>5,023,112</b>	<b>5,335,838</b>	<b>5,839,323</b>	<b>5,428,704</b>	<b>5,148,886</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 6,556,239</b>	<b>\$ 6,871,543</b>	<b>\$ 7,091,800</b>	<b>\$ 6,872,270</b>	<b>\$ 6,385,503</b>

Source: Annual Audited Financial Statements.

**GENERAL FUND REVENUES AND EXPENDITURES**  
Summary of Audited Revenues and Expenditures  
(GAAP Basis)

<b>FISCAL YEAR ENDED:</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>REVENUES</b>					
Property taxes, interest and lien fees.....	\$15,536,245	\$15,301,977	\$14,843,161	\$14,854,076	\$14,572,722
Intergovernmental revenues.....	4,285,088	4,118,565	3,769,239	3,634,699	4,155,869
Licenses, fees, fines and charges.....	254,723	236,267	424,533	442,488	299,121
Income on Investment.....	84,711	80,452	5,403	4,353	86,592
Other revenue.....	249,015	188,310	14,862	13,066	21,971
Transfers In.....	51,162 <sup>1</sup>	64,080 <sup>2</sup>	8,827	33,995 <sup>3</sup>	8,726
<b>Total Revenues &amp; Transfers In .....</b>	<b>\$20,460,944</b>	<b>\$19,989,651</b>	<b>\$19,066,025</b>	<b>\$18,982,677</b>	<b>\$19,145,001</b>
<b>EXPENDITURES</b>					
Current:					
General government .....	1,857,161	1,681,755	1,595,822	1,606,228	1,471,529
Health and human services.....	355,671	327,382	313,053	283,963	232,576
Public safety.....	516,061	511,604	498,658	466,714	458,398
Public works.....	951,772	864,731	842,937	782,553	906,421
Building and development services.....	474,347	392,652	362,233	350,097	182,921
Recreation.....	650,590	624,290	578,507	572,081	537,784
Education.....	14,761,736	14,526,720	13,931,350	13,742,873	13,440,482
Debt service.....	26,841	31,663	-	152,250	159,500
Capital outlay.....	45,019	56,308	-	26,371	-
Transfers Out.....	1,134,472	1,476,031	532,846	719,729	1,163,189
<b>Total Expenditures &amp; Transfers Out .....</b>	<b>20,773,670</b>	<b>20,493,136</b>	<b>18,655,406</b>	<b>18,702,859</b>	<b>18,552,800</b>
Results from Operations.....	(312,726)	(503,485)	410,619	279,818	592,201
<b>Fund Balance - July 1 .....</b>	<b>5,335,838</b>	<b>5,839,323</b>	<b>5,428,704</b>	<b>5,148,886</b>	<b>4,556,685</b>
<b>Fund Balance - June 30 .....</b>	<b>\$ 5,023,112</b>	<b>\$ 5,335,838</b>	<b>\$ 5,839,323</b>	<b>\$ 5,428,704</b>	<b>\$ 5,148,886</b>

<sup>1</sup> Includes capital lease proceeds.

Source: Annual Audited Financial Statements.

**ANALYSIS OF GENERAL FUND EQUITY**  
(GAAP BASIS)

<b>FISCAL YEAR ENDED:</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Nonspendable.....	\$ 50,605	\$ 45,516	\$ 28,993	\$ 43,176	\$ 48,016
Committed.....	305,000	315,509	306,221	313,637	333,049
Assigned.....	724,869	1,328,203	971,401	558,360	441,042
Unassignend.....	3,942,638	3,646,610	4,532,708	4,513,531	4,326,779
<b>Total Fund Balance.....</b>	<b>5,023,112</b>	<b>5,335,838</b>	<b>5,839,323</b>	<b>5,428,704</b>	<b>5,148,886</b>
<b>Unassigned Fund Balance As % of</b>					
<b>Total Expenditures.....</b>	<b>18.98%</b>	<b>17.79%</b>	<b>24.30%</b>	<b>24.13%</b>	<b>23.32%</b>

Source: Annual Audited Financial Statements.

## PROPERTY TAX REVENUES

<b>Fiscal Year</b>	<b>General Fund Revenues &amp; Transfers in</b>	<b>Property Tax Revenues</b>	<b>Property Tax Revenue as a Percentage of General Fund Revenues</b>
2026 <sup>1</sup>	\$20,779,470	\$16,996,675	81.8%
2025 <sup>1</sup>	20,091,497	16,520,070	82.2
2024	20,460,944	15,536,245	75.9
2023	19,989,651	15,301,977	76.5
2022	19,066,025	14,843,161	77.9

<sup>1</sup> Adopted budget.

## INTERGOVERNMENTAL REVENUES

<b>Fiscal Year</b>	<b>General Fund Revenues &amp; Transfers in</b>	<b>Intergovernmental Revenue</b>	<b>Aid as a Percentage of General Fund Revenues</b>
2026 <sup>1</sup>	\$20,779,470	\$2,416,045	11.6 %
2025 <sup>1</sup>	20,091,497	2,674,877	13.3
2024	20,460,944	4,285,088	20.9
2023	19,989,651	4,118,565	20.6
2022	19,066,025	3,769,239	19.8

<sup>1</sup> Adopted budget.

## EXPENDITURES

<b>Fiscal Year</b>	<b>Education</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Public Works</b>	<b>Debt Service</b>
2026 <sup>1</sup>	69.8%	10.7%	2.6%	5.9%	1.1%
2025 <sup>1</sup>	69.7%	10.3%	2.7%	5.8%	0.0%
2024	71.1%	8.9%	2.5%	4.6%	0.1%
2023	70.9%	8.2%	2.5%	4.2%	0.2%
2022	74.7%	8.6%	2.7%	4.5%	0.0%

<sup>1</sup> Adopted budget.

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## VI. DEBT SUMMARY

### PRINCIPAL AMOUNT OF INDEBTEDNESS

As of June 25, 2025  
(Pro Forma)

#### Long-term Bonded Debt

The Town currently has no long-term bonded debt.

#### Other long-term Debt (Leases):

Capital Leases Payable as of June 30, 2025 (principal only):

2025	\$15,594
2026	16,043
2027	16,507
2028	15,668
	\$63,812

#### Short-Term Debt

<u>Date of Issue</u>	<u>Issue</u>	<u>Coupon Rate %</u>	<u>Original Issue Amount</u>	<u>Debt Outstanding Including This Issue</u>	<u>Final Maturity</u>
06/25/25	Bond Anticipation Notes (This Issue)...	TBD	5,500,000	\$ 5,500,000	06/24/26

### OVERLAPPING/UNDERLYING DEBT

The Town of Columbia does not have overlapping or underlying debt.

### DEBT STATEMENT

As of June 25, 2025  
(Pro Forma)

<b>Long-Term Indebtedness<sup>1</sup></b>	
General Purpose.....	\$ -
Schools.....	-
<b>Total Long-Term Indebtedness.....</b>	<b>-</b>
<b>Short-Term Indebtedness.....</b>	
The Notes (This Issue).....	5,500,000
<b>Total Short-Term Indebtednes.....</b>	<b>5,500,000</b>
<b>Total Direct Indebtedness.....</b>	<b>5,500,000</b>
<b>Net Direct Indebtedness.....</b>	<b>5,500,000</b>
<b>Overlapping Indebtedness.....</b>	<b>-</b>
<b>Total Overall Net Direct Indebtedness.....</b>	<b>\$ 5,500,000</b>

<sup>1</sup> Excludes leases.

## CURRENT DEBT RATIOS

As of June 25, 2025  
(Pro Forma)

Population <sup>1</sup> .....	5,268
Net Taxable Grand List (10/1/24).....	\$587,385,914
Estimated Full Value.....	\$839,122,734
Equalized Net Taxable Grand List (10/1/23) <sup>2</sup> ...	\$1,186,512,727
Per Capita Income (2023) <sup>1</sup> .....	\$55,393

	<b>Total Direct debt \$5,500,000</b>	<b>Total Net Direct Debt \$5,500,000</b>	<b>Total Overall Net Debt \$5,500,000</b>
Per Capita.....	\$1,044.04	\$1,044.04	\$1,044.04
Ratio to Net Taxable Grand List.....	0.94%	0.94%	0.94%
Ratio to Estimated Full Value.....	0.66%	0.66%	0.66%
Ratio to Equalized Net Taxable Grand List.....	0.46%	0.46%	0.46%
Debt per Capita to Money Income per Capita.....	1.88%	1.88%	1.88%

<sup>1</sup> U.S. Census Bureau, 2019-2023 American Community Survey.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

## LEGAL REQUIREMENTS FOR APPROVAL OF BORROWING

The Town has the power to incur indebtedness by issuing its bonds, notes or other borrowings as authorized by the Connecticut General Statutes subject to statutory debt limitations and the requirements of the Town Charter including Section 2.5 thereof. The issuance of bonds and notes shall be authorized by resolution of the Town Meeting for amounts not in excess of \$500,000, at which all electors and certain nonresident property owners can vote upon the recommendation of the Board of Selectmen. Columbia's Charter provides that, after being recommended by the Board of Selectmen, any appropriation or authorization for the issuance of bonds, notes or other borrowings in an amount more than \$500,000 (other than tax anticipation notes) shall be subject to approval at a referendum of the voters. Notwithstanding the foregoing, refunding bonds. May be issued pursuant to a resolution of the Board of Selectmen (CGS Sec. 7-370c).

Except for refunding bonds that achieve net present value savings or refunding bonds issued prior to July 1, 2027 that are approved by a two-thirds vote of the Town's legislative body, general obligation (serial or term) bonds are required to be payable in maturities wherein a succeeding maturity may not exceed any prior maturity by more than 50%, or aggregate annual principal and interest payments must be substantially equal. The term of an issue may not exceed thirty years.

## TEMPORARY FINANCING

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions no later than the end of the third year and for each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20<sup>th</sup> (1/30<sup>th</sup> for sewer projects and certain school construction projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than ten years from the initial borrowing date, except for sewer or school construction project notes issued in anticipation of State and/or Federal grants. If a written commitment exists for State and/or Federal grants, the municipality may renew such notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year following the original date of issue (whichever is sooner), and in each year thereafter, the

notes must be reduced by at least 1/15th of the total amount of the notes issued by funds derived from certain sources of payment specified by the statute.

Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

### **LIMITATION OF INDEBTEDNESS**

Municipalities shall not incur indebtedness through the issuance of bonds or notes, which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Pension Obligation Purposes:	3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed seven times the annual receipts from taxation. "Annual receipts from taxation" are defined as total tax collections (including interest, penalties, and late payment of taxes), and state payments for revenue loss made to the Town under Sections 12-129d and 7-528 of the Connecticut General Statutes.

The Connecticut General Statutes also provides for exclusion from the debt limit calculation debt: (i) issued in anticipation of taxes; (ii) issued for the supply of water, the supply of gas, the supply of electricity, electric demand response, conservation and load management, distributed generation, renewable energy projects, the construction of subways for cables, wires and pipes, the construction of underground conduits for cables, wires and pipes, the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which an allocation has been approved by the State Bond Commission or from a contract with the state, a state agency or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for water pollution control projects; and (vi) upon placement in escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of the principal of, and interest on such bonds, notes or other evidence of indebtedness.

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# STATEMENT OF STATUTORY DEBT LIMITATION

As of June 25, 2025

(Pro Forma)

Total Receipts for fiscal year ended June 30, 2024 (including interest and lien fees) \$ 15,514,523

State Reimbursement for Revenue Loss on:

Tax Relief for Elderly -

Base for Establishing Debt Limit \$ 15,514,523

	General Purpose	Schools	Sewers	Urban Renewal	Past Pension	Total Debt
(2.25 times base).....	\$ 34,907,677					
(4.50 times base).....		\$ 69,815,354				
(3.75 times base).....			\$ 58,179,461			
(3.25 times base).....				\$ 50,422,200		
(3.00 times base).....					\$ 46,543,569	
(7.00 times base).....						\$ 108,601,661
<b>Indebtedness</b>						
Bonds Payable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The Notes ( <i>This Issue</i> ) .....	-	-	-	-	-	-
Authorized but						
Unissued Debt.....	-	2,876,245	-	-	-	2,876,245
<b>Total Bonded Indebtedness.....</b>	<b>-</b>	<b>2,876,245</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,876,245</b>
Overlapping Debt .....	-	-	-	-	-	-
<b>Net Bonded Indebtedness.....</b>	<b>-</b>	<b>2,876,245</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,876,245</b>
<b>Excess of Limit Over</b>						
<b>Outstanding and</b>						
<b>Authorized Debt.....</b>	<b>\$ 34,907,677</b>	<b>\$ 66,939,109</b>	<b>\$ 58,179,461</b>	<b>\$ 50,422,200</b>	<b>\$ 46,543,569</b>	<b>\$ 105,725,416</b>

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$108,601,661.

For the purpose of determining a municipality's compliance with the statutory debt limitation, there is no requirement that authorized but unissued debt be considered.

## AUTHORIZED BUT UNISSUED DEBT

As of June 25, 2025

(Pro Forma)

Project	Borrowing Authorization <sup>1</sup>	The Notes <i>This Issue</i>	Authorized but Unissued Debt
H.W. Porter School HVAC Project.....	\$ 5,500,000	\$ 5,500,000	\$ -

<sup>1</sup> The total appropriation for this project is \$8,376,245. The Town's total bonding is capped at the amount shown. It is expected that the difference will be funded through the receipt of State of Connecticut school construction grants.

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**PRINCIPAL AMOUNT OF OUTSTANDING DEBT <sup>1</sup>**

<b>Long-Term Debt</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Bonds.....	\$ -	\$ -	\$ -	\$ -	\$ 145,000
<b>Short-Term Debt</b>					
Bond Anticipation Notes.....	-	-	-	-	-
Notes Payable.....	-	-	4,822	60,138	122,788
Equipment Financing Note....	-	6,773	13,163	19,192	
<b>Totals.....</b>	<b>\$ -</b>	<b>\$ 6,773</b>	<b>\$ 17,985</b>	<b>\$ 79,330</b>	<b>\$ 267,788</b>

<sup>1</sup> Excludes capital lease obligations.

**THE TOWN OF COLUMBIA HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST  
ON ITS BONDS OR NOTES.**

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## **VII. ADDITIONAL INFORMATION**

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### **THE COVID-19 OUTBREAK AND FUTURE PANDEMICS**

On January 30, 2020, the outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, President Trump declared a national emergency as a result of the COVID-19 outbreak. On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the “State”) and took steps to mitigate the spread and impacts of COVID-19. As of May 11, 2023, the federal and State public health emergency declarations have been terminated.

The outbreak of COVID-19 and the response of governments to the pandemic materially affected travel, commerce and economic activity and financial markets globally. In response to the COVID-19 pandemic, on March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the “Rescue Plan”) that provided various forms of financial assistance and other relief to state and local governments. The Town received \$1,591,518.18 from the Rescue Plan. The Town developed and implemented a plan for the use of such funds that focused on capital projects and other initiatives that complied with the program eligibility criteria. All funds have been appropriated and expended and all projects were completed.

For information concerning the State’s actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the Town, nor the parties involved with the issuance of the Notes, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the Town.

Pandemics, epidemics and other public health emergencies, including COVID-19 or a variant thereof, may adversely impact the Town and its revenues, expenses, operations and financial condition. The Town cannot predict the duration and extent of such pandemics, epidemics and other health emergencies, or quantify the magnitude of their ultimate impact on the State and regional economy, or on the finances and operations of the Town. Pandemics, epidemics and other health emergencies may be ongoing, and their dynamic nature may lead to many uncertainties, including (i) the geographic spread as they evolve; (ii) the severity as they mutate; (iii) the duration of the outbreak; (iv) actions that may be taken by governmental authorities to contain or mitigate future outbreaks; (v) the development of medical therapeutics or vaccinations; (vi) travel restrictions; (vii) the impact of the outbreak on the local, State or global economy; (viii) whether and to what extent the Governor may order additional public health measures; and (ix) the impact of the outbreak and actions taken in response to the outbreak on Town revenues, expenses, operations and financial condition.

Prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the State or federal government.

### **CYBERSECURITY**

The Town, like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including, but not limited to, hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate or reduce the risks posed to its operations and/or potential damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls. Additionally, the Town has purchased cybersecurity insurance through Coalition, so that a claim can be made to the insurance provider in the event of a cyber-attack. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could negatively impact business operations and/or damage the Town’s digital networks and systems. The costs of remedying any such damage could be substantial. The Town has established an Incident Response Plan as well as held a round table with its IT consultant to assist in preparations if the Town were ever to experience a cyber incident. The Town staff participates in quarterly cybersecurity training and also receive weekly tutorial emails regarding recognizing potential cyber threats. The Town is continuously working with its IT consultant to review and upgrade its equipment to ensure that the Town’s IT infrastructure is protected from cyber incidents. As of June 4, 2025, the Town has suffered no cyber breaches.

### **CLIMATE CHANGE**

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. Like much of Connecticut, the Town is vulnerable to inland wetland, small river and stream flooding. The Town faces other weather-related threats, including damaging wind that could become more severe and frequent. The Town cannot predict the timing, extent or severity of climate events and their potential impact on the Town’s operations and finances. However, because the Town holds reserves and annually budgets for weather-related contingencies, it believes that it is adequately protected against the risks of severe weather. Additionally, the Town works closely with the

local power company to remove trees that have been identified as a hazard to the utility infrastructure. The Town is continuously reviewing its capital plan for upgrades/replacements to the road infrastructure, facilities and vehicles. This review also includes plans to mitigate the impact of weather-related hazards. The Town has already made upgrades to its dam to mitigate any potential failures and has also made upgrades to the dam gate. The Town is currently reviewing the condition of its roads and culverts. A plan has been devised and grant funding is available to the Town to upgrade some roads and culverts that have been impacted by recent storms. To finance the balance of these projects, the Town is considering the issuance of debt and the use of its general fund surplus. In the opinion of Town officials, new development and redevelopment in the Town has not resulted in unreasonable risks to natural resources.

## **LITIGATION**

The Town of Columbia, its officers, employees, boards and commissions are defendants in a number of lawsuits. It is the opinion of the Town Attorney that such pending litigation will not be finally determined so as to result individually or in the aggregate in final judgments against the Town which would materially adversely affect its financial position.

## **MUNICIPAL ADVISOR**

The Town has retained Munistat Services, Inc. (the "Municipal Advisor") to serve as its municipal advisor in connection with the issuance of the Notes. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. The Municipal Advisor's fee for services rendered with respect to the sale of the Notes is contingent upon the issuance and delivery of the Notes, and receipt by the Town of payment therefor. The Town may engage the Municipal Advisor to perform other services, including without limitation, providing certain investment services with regards to the investment of note proceeds.

## **TRANSCRIPT AND CLOSING DOCUMENTS**

Upon the delivery of the Notes, the winning bidder will be furnished with the following:

1. A Signature and No Litigation Certificate stating that at the time of delivery of the Notes no litigation is pending or threatened affecting the validity of the Notes or the levy or collection of taxes to pay the principal of and interest on the Notes;
2. A Certificate on behalf of the Town signed by the First Selectman, the Finance Director/Treasurer and the Town Administrator, which will be dated the date of delivery and will be attached to a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that at the time the bids on the Notes were accepted, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipt for the purchase price of the Notes;
4. Approving opinion of Updike, Kelly & Spellacy, P.C., Bond Counsel, of Hartford, Connecticut substantially in the form of Appendix B attached hereto; and
5. An executed Continuing Disclosure Agreement substantially in the form of Appendix C attached hereto.

The Town has prepared a Preliminary Official Statement for the Notes which is dated June 4, 2025. The Town deems such Preliminary Official Statement final as of its date for purposes of SEC Rule 15c-12(b)(1), but it is subject to revision or amendment. The Town will make available to the winning bidder of the Notes a reasonable number of copies of the final Official Statement at the Town's expense within seven business days of the bid opening. Additional copies may be obtained by the purchaser at its own expense by arrangement with the printer.

A transcript of the proceedings taken by the Town in authorizing the Notes will be kept on file at the offices of U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut and will be available for examination upon reasonable request.

## CONCLUDING STATEMENT

This Official Statement is not to be construed as a contract or agreement between the Town and the purchaser or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any of such opinion or estimate will be realized.

No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

This Official Statement is submitted only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose. This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town of Columbia by the following officials:

### TOWN OF COLUMBIA, CONNECTICUT

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Steven Everett, *First Selectman*

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Beverly Ciurylo, *Finance Director/Treasurer*

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Mark Walter, *Town Administrator*

June \_\_, 2025



## **APPENDIX A - BASIC FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Appendix A - Basic Financial Statements - is taken from the Financial Statements of the Town of Columbia for the Fiscal Year ended June 30, 2024 as presented by the Auditors and does not include all of the schedules or management letter made in such report. A copy of the complete report is available upon request to the Finance Director, Town of Columbia, Columbia, Connecticut.



## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Columbia (the "Town") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Columbia, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Columbia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the pension and OPEB schedules on pages 4-12, and 48-50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, and other supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the other supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2025, on our consideration of the Town's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



King, King & Associates, P.C., CPAs  
Winsted, CT  
February 26, 2025

## TOWN OF COLUMBIA, CONNECTICUT

### Management's Discussion and Analysis

June 30, 2024

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As management of the Town of Columbia, CT (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2024.

#### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Town of Columbia, CT exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$23,330,428 (*net position*). Of this amount, \$7,227,131 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased \$190,673.
- As of the close of the current fiscal year, the Town of Columbia, CT's governmental funds reported combined ending fund balances of \$7,550,446, a decrease of \$396,492 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,942,638 or 20.2 percent of total General Fund budgeted expenditures and transfers out.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Columbia, CT's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of Columbia, CT's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator whether the financial position of the Town of Columbia, CT is improving or deteriorating.

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

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

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2024

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

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

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

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

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

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

The basic governmental fund financial statements can be found on pages 15-19 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of Columbia, CT's own programs.

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

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-47 of this report.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2024

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Columbia, CT, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$23,330,428 at the close of the most recent fiscal year.

**SUMMARY STATEMENT OF NET POSITION**

	2024	2023	Variance
Current and Other Assets	\$ 9,380,720	\$ 9,855,009	\$ (474,289)
Capital Assets	15,881,158	15,550,726	330,432
Total Assets	<u>25,261,878</u>	<u>25,405,735</u>	<u>(143,857)</u>
 Deferred Outflows of Resources	 <u>134,194</u>	 <u>151,122</u>	 <u>(16,928)</u>
 Other Liabilities	 1,387,053	 1,660,208	 (273,155)
Long-Term Liabilities	<u>507,840</u>	<u>623,285</u>	<u>(115,445)</u>
Total Liabilities	<u>1,894,893</u>	<u>2,283,493</u>	<u>(388,600)</u>
 Deferred Inflows of Resources	 <u>170,751</u>	 <u>133,609</u>	 <u>37,142</u>
 Net Position:			
Net Investment in Capital Assets	15,817,346	15,506,191	311,155
Restricted	285,951	242,317	43,634
Unrestricted	<u>7,227,131</u>	<u>7,391,247</u>	<u>(164,116)</u>
Total Net Position	<u>\$ 23,330,428</u>	<u>\$ 23,139,755</u>	<u>\$ 190,673</u>

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

The Town's restricted net position of \$285,951 increased by \$43,634 compared to last year's restricted net position of \$242,317.

The Town's unrestricted net position of \$7,227,131 decreased by \$164,116 compared to last year's unrestricted net position of \$7,391,247.

**TOWN OF COLUMBIA, CONNECTICUT**

## Management's Discussion and Analysis

June 30, 2024

## STATEMENT OF CHANGES IN NET POSITION

	2024	2023	Variance
<b>REVENUES</b>			
<i>Program:</i>			
Charges for services	\$ 580,385	\$ 496,842	\$ 83,543
Operating grants and contributions	4,696,987	5,214,335	(517,348)
Capital grants and contributions	199,861	543,200	(343,339)
<i>General:</i>			
Property taxes	15,593,026	15,380,736	212,290
Grants and contributions, not restricted to specific programs	198,977	129,717	69,260
Unrestricted investment earnings	258,673	186,886	71,787
Other	158,622	12,870	145,752
<b>Total Revenues</b>	<b>21,686,531</b>	<b>21,964,586</b>	<b>(278,055)</b>
<b>EXPENSES</b>			
<i>Governmental Activities:</i>			
General Government	1,968,669	1,856,619	112,050
Health and Human Services	415,416	374,009	41,407
Public Safety	704,012	784,541	(80,529)
Public Works	1,605,852	1,368,028	237,824
Building and Development Services	474,347	392,652	81,695
Recreation	752,997	701,281	51,716
Education	15,573,466	15,896,730	(323,264)
Interest on long-term debt	1,099	1,905	(806)
<b>Total Expenses</b>	<b>21,495,858</b>	<b>21,375,765</b>	<b>120,093</b>
<b>Change in Net Position</b>	<b>190,673</b>	<b>588,821</b>	<b>(398,148)</b>
Beginning Net Position	23,139,755	22,550,934	588,821
Ending Net Position	<b>\$ 23,330,428</b>	<b>\$ 23,139,755</b>	<b>\$ 190,673</b>

**Governmental activities.** Governmental activities increased the Town of Columbia, CT's net position by \$190,673.

Seventy-two percent (72%) of the revenues of the Town were derived from property taxes, followed by twenty-three percent (23%) from grants and contributions, three percent (3%) from charges for services and two percent (2%) of the Town's revenue in the fiscal year was derived from investment and other income.

Major revenue factors included:

- The Town collected surpluses in the following budgeted revenue lines which contributed to the overall revenue surplus at year end:
  - Education Equalization/Education Cost Sharing Grant: \$36,827
  - Municipal Revenue Sharing Grant: \$159,932
  - Interest on Investments: \$49,710
  - Real Estate Conveyance Fees: \$25,885
  - Transfer Station Stickers: \$12,855
  - Bldg, Mech. & Septic Building Permit Fees: \$55,957
  - Preschool Tuition Fees: \$22,927



## TOWN OF COLUMBIA, CONNECTICUT

### Management's Discussion and Analysis

June 30, 2024

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- The Town had a total revenue surplus of \$437,616 which was added to the Town's General Fund. Of this amount, the Town collected a net surplus of \$290,599 in property taxes (current, outstanding, delinquent, interest, etc).
- The State of Connecticut awarded the Town \$36,827 more in the Education Equalization (ECS) Grant than what was originally budgeted due to the state adjustment once the state finalized the grant. Also, the State awarded the Town \$41,535 less than anticipated for the Special Education Grant due to less than projected Special Education costs reported for the Columbia School District in the 2023-2024 school year.
- The Town is showing a negative balance in LoCIP funding at year end. The Town opted to hold off submitting a request to the State of Connecticut in 2023-2024 and let the LoCIP allotment balance continue to build for a future Capital Project reimbursement request in the future.

Seventy-two percent (72%) of the expenses of the Town relate to education, nine percent (9%) relate to general government, eight percent (8%) relate to public works, five percent (5%) relate to public safety and health and human services and six percent (6%) relates to building and development services, recreation, and long-term interest expense.

Major expense factors included:

- The Town reflected the following surpluses in the following budgeted operating expenditure lines which contributed to the overall operating surplus at year end:
  - Salaries: \$60,573
  - Group Insurance: \$65,660
  - Retirement benefits: \$9,873
  - Police Protection: \$14,152
  - Electricity: \$22,978
  - Fuel: \$20,392
  - Contingency: \$29,010
- The Town's Operating Budget had surplus funds of \$321,181 that were returned to the General Funds at year end. Various departments had savings in their budget lines; such as, salaries, group health insurance and employee benefits, police protection, utilities and contingency as noted above.
- The Town has paid off all of its debt in July 2023 by paying the final lease payment on the Senior Center vehicle. The Town does not have any General Obligation Bonds as a liability in 2023-2024. However, the Town will be looking at short-term financing options and bonding for some major capital projects in 2024-2025; such as, Horace W. Porter School HVAC improvements and major road and culvert construction projects.
- As of June 30, 2024, the Columbia Board of Education had excess funds in its budget totaling \$242,920. The full amount of the year-end excess was returned to the Town of Columbia's General Fund. There was not an appropriation to the Board of Education's Non-Lapsing Account as of June 30, 2024. Currently, that fund has \$300,000 available for any Board of Education unanticipated costs. After the year-end budget line transfers, the Board of Education showed excess funding in the certified salaries, transportation, tuition budget, textbooks, equipment, and the health insurance line.

## **TOWN OF COLUMBIA, CONNECTICUT**

### **Management's Discussion and Analysis**

June 30, 2024

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- The Columbia Board of Education looked within the 2023-2024 budget and used funds from other expenditure lines to cover the under-budgeting in other lines due to changes in the planned budget. The savings shown in various lines were also used to cover all projected budget line deficits due to changes in the Regular Education and the Special Education professional and contracted services as well as fund needed repairs/maintenance projects, and school equipment.
- The following is a list of the 2023-2024 major capital projects:
  - Town Road Resurfacing - \$397,562
  - Box Culvert Replacement/Repairs - \$573,572
  - Preliminary Cost Estimates & Design - \$11,497
  - Rec Area Improvements - \$7,070
  - Public Works Equipment – \$156,186
  - Facilities HVAC Projects/Repairs - \$34,583
  - Horace W. Porter School Floor Replacement - \$15,332
  - Horace W. Porter School Security Project - \$18,399
  - Horace W. Porter School HVAC Improvements - \$274,850
  - Hazardous Tree Removal - \$50,401
  - Senior Center Equipment - \$8,919
  - CVFD Fire Equipment - \$53,479
  - Dam Inspection and Dam Gate Evaluation - \$6,060
- In the 2023-2024 year, the Town of Columbia continued to spend the American Relief Funds awarded to the Town. The total received was \$1,519,919 since June 2021. Below is the status of all American Relief Funds projects since the funds were awarded as well as year-to-date spending as of 06/30/24:
  - Rec Park Facility Building - \$41,266. Project completed.
  - CVFD Audio/Visual System - \$27,627. Project completed.
  - Senior Center Generator - \$22,220. Project to be completed in 2024-2025.
  - Murphy House Bathroom Upgrades – Project started in 2023-2024 - \$7,580
  - DPW Dump Truck – order was placed. (Budget is \$245,000). Expected delivery is in 2024-2025.
  - DPW Site Survey & Site Plan - \$5,360. Project completed.
  - History Place Masonry Repoint - \$6,800. Project completed.
  - CVFD Roof Replacement/Repair - \$54,024. Project completed.
  - Senior Center Sidewalks – \$7,489. Project completed.
  - Rec Park Courts New/Upgrades - \$143,640. Project completed.
  - DPW Office Building - \$310,361. Project completed.
  - DPW Compact Mini Excavator - \$85,960. Purchase completed.
  - CVFD Command Vehicle - \$75,412. Purchase completed.
  - CVFD Self Contained Breathing Apparatus - \$87,721. Purchase completed.
  - TextmyGOV Software for Town Website - \$6,750. Project completed.
  - Yeomans Hall HVAC - \$17,082. Project completed.
  - Beach Walkway with Pavers - \$6,150. Project completed.

It is anticipated that the balance of the American Relief funds available as of June 30, 2024, will be spent in the 2024-2025 fiscal year.

## TOWN OF COLUMBIA, CONNECTICUT

### Management's Discussion and Analysis

June 30, 2024

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental Funds.** The focus of the Town of Columbia, CT's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Columbia, CT's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Columbia, CT's governmental funds reported combined ending fund balances of \$7,550,446, a decrease of \$396,492 in comparison with the prior year. Fifty-two percent (52%) of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

**General Fund.** The General Fund is the chief operating fund of the Town of Columbia, CT. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$3,942,638. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 21.7 percent of total General Fund budget basis expenditures.

**Reserve for Capital and Nonrecurring Expenditures.** The fund balance decreased by \$139,888 during the current fiscal year due to the annual appropriation from the General Fund along with investment income being less than current year expenditures. See the schedule on page 64 for a detailed listing of individual project appropriations.

**American Relief Fund.** The fund balance increased by \$22,827 during the current fiscal year due to the interest earned on cash held for the American Rescue Plan Act grant. There is also \$285,461 of unearned revenue associated with this grant which will be recognized as the funds are expended.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

- The Operating Budget of the Town of Columbia's Municipal Government (including Contingency) was underspent by \$321,181. In addition, the Municipal Government ended the year with \$53,915 in year end encumbrances for open expenditures that applied to the 2023-2024 fiscal year.
- The Operating Budget of the Board of Education was spent in accordance with the adopted budget and was under spent by \$242,920. All of the excess funds were returned to the Town's General Fund and no funds were added to the Board of Education's Non-Lapsing Account which currently has a balance of \$300,000. In addition to the funds returned to the Town, there were \$295,954 in encumbrances at year end for the open projects and expenditures for the Horace W. Porter School that applied to the 2023-2024 school year.
- During the 2023-2024 Fiscal Year, \$48,990 was approved and transferred from Contingency to fund various lines in the Town's operating budget: \$1,683 for Tax Collector desks, \$4,357 for IT upgrades, \$4,500 for Town Hall Well Pump replacement, \$5,130 for Storm Water testing and lab fees at Columbia Lake, \$2,000 for Columbia Garden Beautification committee start up, \$10,240 for DPW Vehicle & Equipment repairs, \$2,588 for Rec Park Field repairs, \$9,072 for Employee Payout benefit and \$6,420 for Engineering Costs for Senior Housing Concept Study.

**TOWN OF COLUMBIA, CONNECTICUT**  
Management's Discussion and Analysis  
June 30, 2024

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- In 2023-2024, the Town approved two General Fund Transfers with Town Meetings: \$250,000 for Road/Culvert Upgrades Engineering and Design costs and \$75,600 for the Project Manager cost for the H.W. Porter School HVAC Project.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets.** The Town of Columbia, CT's reported value in capital assets for its governmental activities as of June 30, 2024, amounts to \$15,881,158 (net of accumulated depreciation). This reported value in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure.

	2024	2023
Land	\$ 2,156,688	\$ 2,156,688
Construction in Progress	1,605,171	984,019
Buildings and Improvements	22,724,208	22,343,322
Land Improvements	1,518,812	1,511,742
Infrastructure	1,650,123	1,650,123
Furniture & Fixtures	18,700	18,700
Vehicles	2,659,500	2,594,056
Machinery and Equipment	1,748,642	1,634,338
Right of Use Equipment	73,151	56,308
Less: Accumulated Depreciation	(18,273,837)	(17,398,570)
Total	<u>\$ 15,881,158</u>	<u>\$ 15,550,726</u>

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

- Road resurfacing projects;
- HVAC upgrades at town buildings;
- Completion of the new DPW Office Building;
- Completion of Tennis & Pickleball courts at Rec Park;
- Continuation of the Senior Center Generator project;
- Purchase of DPW Backhoe Loader;
- Floor replacements at Horace W. Porter School;
- Security Project at Horace W. Porter School
- Equipment purchases for the Fire Department;
- Continuing hazardous tree removal in various areas of the Town;
- Dam Inspection and Dam Gate Evaluation;
- Engineering & Design costs for Road/Culvert Repairs & Improvement;
- Command Vehicle for the Fire Department; and
- Continuation of the Horace W. Porter School HVAC Improvement Project.

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

## TOWN OF COLUMBIA, CONNECTICUT

### Management's Discussion and Analysis

June 30, 2024

**Long-term debt.** At the end of the current fiscal year, the Town of Columbia, CT had long-term debt and other long-term liabilities outstanding of \$507,840.

	2024	2023
Equipment Financing Notes	\$ -	\$ 6,773
Leases Payable	63,812	37,762
Compensated Absences	144,626	150,197
OPEB Liability	299,402	428,553
Total	<u>\$ 507,840</u>	<u>\$ 623,285</u>

The Town of Columbia, CT's total long-term debt and other liabilities decreased by \$115,445 during the current fiscal year. Additional information on the Town's long-term debt can be found in Note 7 on pages 35-36 of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy and has been the case in previous cycles. The State and the nation are in the midst of an economic uncertainty which has affected the amount of intergovernmental revenues that the Town will receive in fiscal year 2024-2025 and beyond. It is expected that revenues for fiscal year 2024-2025 will remain fairly static or decrease nominally.

- State and federal funding is expected to decrease or remain stable.
- There remains considerable uncertainty with respect to petroleum-based fuel costs and electricity costs as well as health insurance costs. The Town is continuing its efforts to lock in pricing.

These factors were considered in preparing the Town of Columbia, CT's budget for the 2024-2025 Fiscal Year.

The Town has assigned \$375,000 from the General Fund balance for use in the 2025 budget.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town of Columbia, CT's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Town of Columbia, 323 Route 87, Columbia, CT 06237.

# **Basic Financial Statements**

# TOWN OF COLUMBIA, CONNECTICUT

## Statement of Net Position

June 30, 2024

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 8,657,399
Restricted Cash	131,050
Receivables, Net	541,504
Prepays	50,767
Capital Assets:	
Assets Not Being Depreciated	3,761,859
Assets Being Depreciated, Net	12,119,299
<b>Total Assets</b>	<u>25,261,878</u>
<b>Deferred Outflows of Resources</b>	
Deferred Outflows - OPEB	<u>134,194</u>
<b>Liabilities</b>	
Accounts Payable and Accrued Items	866,297
Unearned Revenue	389,706
Performance Bonds	131,050
Noncurrent Liabilities:	
Due Within One Year	144,132
Due In More Than One Year	363,708
<b>Total Liabilities</b>	<u>1,894,893</u>
<b>Deferred Inflows of Resources</b>	
Deferred Inflows - OPEB	<u>170,751</u>
<b>Total Deferred Inflows of Resources</b>	<u>170,751</u>
<b>Net Position</b>	
Net Investment in Capital Assets	15,817,346
Restricted for:	
Land Protection	92,013
Housing Rehabilitation	59,211
Education	29,338
Other	105,389
Unrestricted	7,227,131
<b>Total Net Position</b>	<u>\$ 23,330,428</u>

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

# TOWN OF COLUMBIA, CONNECTICUT

## Statement of Activities

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 1,968,669	\$ 128,099	\$ 66,394	\$ 17,082	\$ (1,757,094)
Health and Human Services	415,416	18,638	44,074	-	(352,704)
Public Safety	704,012	5,150	1,406	75,412	(622,044)
Public Works	1,605,852	95,132	230,438	107,367	(1,172,915)
Building and Development Services	474,347	131,602	-	-	(342,745)
Recreation	752,997	68,667	15,615	-	(668,715)
Education	15,573,466	133,097	4,339,060	-	(11,101,309)
Interest on Long-Term Debt	1,099	-	-	-	(1,099)
Total Governmental Activities	<u>\$ 21,495,858</u>	<u>\$ 580,385</u>	<u>\$ 4,696,987</u>	<u>\$ 199,861</u>	<u>(16,018,625)</u>
General Revenues:					
Property Taxes					15,593,026
Grants and Contributions not Restricted to Specific Programs					198,977
Unrestricted Investment Earnings					258,673
Other					158,622
Total General Revenues					<u>16,209,298</u>
Change in Net Position					190,673
Net Position - Beginning of Year					<u>23,139,755</u>
Net Position - End of Year					<u>\$ 23,330,428</u>

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



# TOWN OF COLUMBIA, CONNECTICUT

Balance Sheet  
Governmental Funds  
June 30, 2024

	General Fund	Reserve for Capital and Nonrecurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 5,980,900	\$ 2,142,984	\$ 341,211	\$ 192,304	\$ 8,657,399
Restricted Cash	131,050	-	-	-	131,050
Receivables, Net of Allowance	393,684	-	-	147,820	541,504
Prepays	50,605	-	-	162	50,767
Due from Other Funds	-	-	-	171,472	171,472
<b>Total Assets</b>	<u>\$ 6,556,239</u>	<u>\$ 2,142,984</u>	<u>\$ 341,211</u>	<u>\$ 511,758</u>	<u>\$ 9,552,192</u>
<b>Liabilities</b>					
Accounts Payable and Accrued Items	\$ 862,367	\$ -	\$ -	\$ 3,930	\$ 866,297
Unearned Revenue	72,792	3,000	285,461	28,453	389,706
Performance Bonds	131,050	-	-	-	131,050
Due to Other Funds	171,472	-	-	-	171,472
<b>Total Liabilities</b>	<u>1,237,681</u>	<u>3,000</u>	<u>285,461</u>	<u>32,383</u>	<u>1,558,525</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenues:					
Property Taxes and Interest	295,446	-	-	-	295,446
Loan Receivables	-	-	-	147,775	147,775
<b>Total Deferred Inflows of Resources</b>	<u>295,446</u>	<u>-</u>	<u>-</u>	<u>147,775</u>	<u>443,221</u>
<b>Fund Balances</b>					
Nonspendable	50,605	-	-	-	50,605
Restricted	-	-	55,750	230,201	285,951
Committed	305,000	1,994,581	-	101,399	2,400,980
Assigned	724,869	145,403	-	-	870,272
Unassigned	3,942,638	-	-	-	3,942,638
<b>Total Fund Balances</b>	<u>5,023,112</u>	<u>2,139,984</u>	<u>55,750</u>	<u>331,600</u>	<u>7,550,446</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 6,556,239</u>	<u>\$ 2,142,984</u>	<u>\$ 341,211</u>	<u>\$ 511,758</u>	<u>\$ 9,552,192</u>

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

## TOWN OF COLUMBIA, CONNECTICUT

### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2024

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Fund balances reported in governmental funds Balance Sheet \$ 7,550,446

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

Capital assets used in governmental activities are not financial  
resources and, therefore, are not reported in the funds.

<i>Capital Assets</i>	34,154,995
<i>Depreciation</i>	(18,273,837)

Other long-term assets are not available to pay for current-period  
expenditures and, therefore, are deferred in the funds.

<i>Property taxes, interest and liens receivable greater than 60 days</i>	295,446
<i>Housing loans receivable greater than 60 days</i>	147,775

Certain changes related to OPEB are deferred and amortized over time.

<i>Deferred Outflows - OPEB</i>	134,194
<i>Deferred Inflows - OPEB</i>	(170,751)

Long-term liabilities are not due and payable in the current period  
and, therefore, are not reported in the fund statements.

<i>Leases Payable</i>	(63,812)
<i>Compensated Absences</i>	(144,626)
<i>OPEB Liability</i>	<u>(299,402)</u>

**Net position of governmental activities** \$ 23,330,428

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

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2024

	General Fund	Reserve for Capital and Nonrecurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property Taxes, Interest and Lien Fees	\$ 15,536,245	\$ -	\$ -	\$ -	\$ 15,536,245
Intergovernmental Revenues	4,285,088	15,569	213,825	687,818	5,202,300
Licenses, Fees, Fines, and Charges	254,723	-	-	100,290	355,013
Investment Income	84,711	146,917	22,827	4,218	258,673
Other Revenue	249,015	-	-	47,612	296,627
Total Revenues	<u>20,409,782</u>	<u>162,486</u>	<u>236,652</u>	<u>839,938</u>	<u>21,648,858</u>
<b>Expenditures</b>					
Current:					
General Government	1,857,161	17,557	23,832	22,136	1,920,686
Health and Human Services	355,671	8,919	14,949	37,187	416,726
Public Safety	516,061	53,479	75,412	27,833	672,785
Public Works	951,772	1,212,303	91,798	-	2,255,873
Building and Development Services	474,347	-	-	-	474,347
Recreation	650,590	7,070	7,834	24,160	689,654
Education	14,761,736	308,581	-	518,121	15,588,438
Debt Service	26,841	-	-	-	26,841
Capital Outlay	45,019	-	-	-	45,019
Total Expenditures	<u>19,639,198</u>	<u>1,607,909</u>	<u>213,825</u>	<u>629,437</u>	<u>22,090,369</u>
Excess/(Deficiency) of Revenues over Expenditures	770,584	(1,445,423)	22,827	210,501	(441,511)
<b>Other Financing Sources/(Uses)</b>					
Leases Issued	45,019	-	-	-	45,019
Transfers In	6,143	1,305,535	-	32,612	1,344,290
Transfers Out	(1,134,472)	-	-	(209,818)	(1,344,290)
Total Other Financing Sources/(Uses)	<u>(1,083,310)</u>	<u>1,305,535</u>	<u>-</u>	<u>(177,206)</u>	<u>45,019</u>
Net Change in Fund Balances	(312,726)	(139,888)	22,827	33,295	(396,492)
Fund Balances at Beginning of Year	<u>5,335,838</u>	<u>2,279,872</u>	<u>32,923</u>	<u>298,305</u>	<u>7,946,938</u>
Fund Balances at End of Year	<u>\$ 5,023,112</u>	<u>\$ 2,139,984</u>	<u>\$ 55,750</u>	<u>\$ 331,600</u>	<u>\$ 7,550,446</u>

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

# TOWN OF COLUMBIA, CONNECTICUT

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2024

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (396,492)</b>
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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 outlay</i>	1,290,745
<i>Depreciation expense</i>	(960,313)

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

<i>Property taxes, interest and liens collected accrual basis change</i>	56,781
<i>Housing loans receivable accrual basis change</i>	147,775

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

<i>Principal payments on long-term debt - equipment financing notes</i>	6,773
<i>Principal payments on long-term debt - leases payable</i>	18,969
<i>Issuance of long-term debt - leases payable</i>	(45,019)

Amortization of deferred outflows of resources related to OPEB benefits	(16,928)
Amortization of deferred inflows of resources related to OPEB benefits	(46,340)

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

<i>Compensated Absences</i>	5,571
<i>OPEB Liability</i>	<u>129,151</u>

<b>Change in net position of governmental activities</b>	<b>\$ <u>190,673</u></b>
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The notes to the financial statements are an integral part of this statement

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	
	Original	Amended	Budgetary	Variance
			Basis	
<b>Revenues</b>				
Property Taxes, Interest, and Lien Fees	\$ 15,245,646	\$ 15,245,646	\$ 15,536,245	\$ 290,599
Intergovernmental	2,577,759	2,577,759	2,560,234	(17,525)
Licenses, Fees, Fines, and Charges	183,550	183,550	254,723	71,173
Investment Income	35,000	35,000	84,711	49,711
Other	201,500	201,500	249,015	47,515
<b>Total Revenues</b>	<u>18,243,455</u>	<u>18,243,455</u>	<u>18,684,928</u>	<u>441,473</u>
<b>Expenditures</b>				
Current:				
General Government	2,006,057	2,006,407	1,839,970	166,437
Health and Human Services	388,915	390,347	362,850	27,497
Public Safety	537,402	538,979	516,061	22,918
Public Works	984,009	996,837	963,446	33,391
Building and Development Services	444,183	458,103	442,976	15,127
Recreation	668,255	676,066	649,265	26,801
Contingency	78,000	29,010	-	29,010
Education	13,614,762	13,614,762	13,371,842	242,920
<b>Total Expenditures</b>	<u>18,721,583</u>	<u>18,710,511</u>	<u>18,146,410</u>	<u>564,101</u>
<b>Excess of Revenues Over Expenditures</b>	(478,128)	(467,056)	538,518	1,005,574
<b>Other Financing Sources (Uses)</b>				
Appropriation of Fund Balance	1,300,000	1,625,600	-	(1,625,600)
Transfers In	10,000	10,000	6,143	(3,857)
Transfers Out	(831,872)	(1,168,544)	(1,168,544)	-
<b>Total Other Financing Sources (Uses)</b>	<u>478,128</u>	<u>467,056</u>	<u>(1,162,401)</u>	<u>(1,629,457)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (623,883)</u>	<u>\$ (623,883)</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2024

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	<b>Pension Trust Fund</b>	<b>Private Purpose Trust Funds</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ -	\$ 10,134
Investments, at Fair Value:		
Mutual Funds	1,210,530	-
<b>Total Assets</b>	<u>1,210,530</u>	<u>10,134</u>
<b>Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Liabilities</b>		
Payables	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Net Position</b>		
Restricted for Pension Benefits	1,210,530	-
Restricted for Other Purposes	<u>-</u>	<u>10,134</u>
<b>Total Net Position</b>	<u>\$ 1,210,530</u>	<u>\$ 10,134</u>

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

**TOWN OF COLUMBIA, CONNECTICUT**  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2024

	<b>Pension Trust Fund</b>	<b>Private Purpose Trust Funds</b>
<b>Additions</b>		
Contributions:		
Employer	\$ 112,574	\$ -
Other	-	-
Investment Income:		
Net Appreciation/(Depreciation) in Fair		
Value of Investments	118,584	-
Interest and Dividends	33,131	38
Total Investment Income	151,715	38
Less: Investment Management Fees	(12,867)	-
Net Investment Income	138,848	38
 Total Additions	 251,422	 38
<b>Deductions</b>		
Pension Distributions	422,237	-
Scholarships	-	650
Other Expenses	-	-
Total Deductions	422,237	650
 Change in Net Position	 (170,815)	 (612)
Net Position at Beginning of Year	1,381,345	10,746
Net Position at End of Year	\$ 1,210,530	\$ 10,134

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

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

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

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

**Reporting Entity**

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

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

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

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

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



## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Their revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include compensated absences, debt service, other post-employment benefit obligations, and claims and judgments that are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under equipment financing notes and leases payable are reported as other financing sources.

Property taxes and interest, expenditure reimbursement type grants, certain intergovernmental revenues, charges, and transfers associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town or specifically identified.

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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Governmental Funds are those through which most governmental functions typically are financed. The following are the Town's major governmental funds:

- The *General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another manner. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for services, and earnings on investments.
- The *Reserve for Capital and Nonrecurring Expenditures* is used to account for capital acquisition and improvements. This is a perpetual fund financed through annual budget appropriations and capital grants.
- The *American Relief Fund* is used to account for and report financial resources related to the federal American Rescue Plan Act grant.

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

- The *Pension Trust Fund* is used to account for the activities of the Town's defined contribution plan which accumulates resources for pension benefit payments to qualified employees.
- *Private-Purpose Trust Funds* are used to account for resources legally held in trust for the benefit of individuals, private organizations, or other governments.

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

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

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

*Investments* - In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. Trust funds are able to invest in a wider range of investments. Investments are stated at fair value, based on quoted market prices. Certificates of Deposit are reported at cost and excluded from the fair value disclosures.

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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

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

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

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

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

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

Investments are carried at fair value and presented in Note 3.

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

**Capital Assets** - Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 (\$20,000 for land, infrastructure, buildings, and improvements) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

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

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

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

*Deferred Outflows/Inflows of Resources* – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred OPEB expense in the government-wide financial statements. Deferred OPEB expense results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in OPEB expense over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Within the government-wide statement of net position the Town reports as deferred inflows amounts representing the net difference between expected and actual results, changes in assumptions and projected and actual earnings of its OPEB plans. These amounts are deferred and included in OPEB expense over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active and inactive employees). Also, for governmental funds, the Town reports unavailable revenues from property taxes and interest and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period during which the amounts become available.

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

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

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

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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

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

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

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

*Fund Equity and Net Position* – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. In the government-wide statement of net position, net position is classified in the following categories:

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

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

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

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

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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

*Nonspendable Fund Balance* – Indicates amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

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

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

*Assigned Fund Balance* – Indicates amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by the approval of a resolution by the Board of Selectman, Board of Finance, or by a properly approved purchase order (encumbrance).

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

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

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

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

#### **Estimates**

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

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

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

**Budgetary Information and Accounting**

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- A proposed operating budget is submitted for the fiscal year.
- Public hearings are conducted in the Town to obtain taxpayer comments.
- The budget is legally enacted through a town meeting. The operating budget includes proposed expenditures and the means of financing them.
- The Board of Selectmen may transfer funds between accounts within a given agency limited to a maximum of \$1,000. The Board may also make transfers within an agency up to \$10,000 with the approval of FIPAC.
- A maximum of \$20,000 for the current fiscal year (not including the Board of Education) for any agency may be transferred with the approval of FIPAC. In the event that these amounts are to be exceeded or that approval cannot be obtained from FIPAC, the transfer must be approved by a Town Meeting.
- The Town may establish a contingency account of no more than 2 percent of the total budget. The Board of Selectmen, upon FIPAC approval, is authorized to transfer from the contingency account up to \$20,000 to any agency (excluding Board of Education). Additional appropriations and transfers in excess of \$20,000 must be approved at a Town meeting.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- All noncontinuing appropriations lapse at year-end. Capital appropriations in the Reserve for Capital and Nonrecurring Expenditures fund do not lapse until completion of the applicable projects.
- Encumbrance accounting is used as an extension of formal budgetary integration in the General Fund.

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

# TOWN OF COLUMBIA, CONNECTICUT

## Notes to the Financial Statements

A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2024:

	<u>Total Revenues</u>	<u>Total Expenditures</u>	<u>Other Financing Sources (Uses)</u>
Budgetary Basis	\$ 18,684,928	\$ 18,146,410	\$ (1,162,401)
"On-behalf" payments -			
State Teachers Retirement Fund	1,680,149	1,680,149	-
Adjustment for Encumbrances	-	(321,666)	-
Compensated Absences Reserve Activity	-	44,581	34,072
Gross up Grants Reported Net	44,705	44,705	-
Leases Issued	-	45,019	45,019
GAAP Basis	<u>\$ 20,409,782</u>	<u>\$ 19,639,198</u>	<u>\$ (1,083,310)</u>

### NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute or in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank" as defined by the Statutes, which is not a "qualified public depository". The following is a summary of cash, cash equivalents, and restricted cash at June 30, 2024.

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 8,657,399	\$ 10,134	\$ 8,667,533
Restricted Cash	131,050	-	131,050
	<u>\$ 8,788,449</u>	<u>\$ 10,134</u>	<u>\$ 8,798,583</u>

*Custodial Credit Risk - Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio. The following is a reconciliation of the Town's deposits subject to custodial credit risk:

Cash and Cash Equivalents	\$ 8,798,583
Less: Cash Equivalents (STIF)	(4,413,206)
	<u>\$ 4,385,377</u>

At year-end, the Town's carrying amount of deposits subject to custodial credit risk was \$4,385,377 and the bank balance was \$4,732,087. Of the bank balance, Federal Depository Insurance Corporation insured \$688,446.



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

As of June 30, 2024, \$4,043,641 of the Town's bank balance of \$4,732,087 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 3,589,277
Uninsured and collateral held by pledging bank's Trust department not in the Town's name	<u>454,364</u>
Total	<u>\$ 4,043,641</u>

**Cash Equivalents**

At June 30, 2024, the Town's cash equivalents (Short-Term Investment Fund "STIF") amounted to \$4,413,206. STIF is rated AAAM by Standard and Poor's and has an average maturity of under 60 days.

**Investments**

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

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	June 30, 2024			
<u>Description</u>				
Mutual Funds	<u>\$ 1,210,530</u>	<u>\$ 1,210,530</u>	<u>\$ -</u>	<u>\$ -</u>
Total Investments	<u>\$ 1,210,530</u>	<u>\$ 1,210,530</u>	<u>\$ -</u>	<u>\$ -</u>

*Custodial Credit Risk* - This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town does not have a policy for custodial credit risk.

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

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

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

# TOWN OF COLUMBIA, CONNECTICUT

## Notes to the Financial Statements

### NOTE 4 – RECEIVABLES

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

	General Fund	Nonmajor and Other Funds	Total
Receivables:			
Property Taxes	\$ 271,969	\$ -	\$ 271,969
Interest, Liens, and Fees	77,282	-	77,282
Loans	-	147,775	147,775
Intergovernmental	51,356	-	51,356
Accounts	17,077	45	17,122
Gross Receivables	<u>417,684</u>	<u>147,820</u>	<u>565,504</u>
Less Allowance for			
Uncollectibles:			
Property Taxes	(16,000)	-	(16,000)
Interest, Liens, and Fees	(8,000)	-	(8,000)
Total Allowance	<u>(24,000)</u>	<u>-</u>	<u>(24,000)</u>
Net Total Receivables	<u>\$ 393,684</u>	<u>\$ 147,820</u>	<u>\$ 541,504</u>

The loans receivable of \$147,775 are long-term receivables and are not expected to be collected within one year.

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

	Governmental Funds
General Fund:	
Fees Collected in Advance	\$ 4,878
Advances on Grants	67,914
Capital Nonrecurring Fund:	
Fees Collected in Advance	3,000
American Relief Fund:	
Advances on Grants	285,461
Nonmajor Governmental Funds:	
Advances on Grants	24,593
Fees Collected in Advance	3,860
Total Unearned Revenue	<u>\$ 389,706</u>

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. At June 30, 2024, the outstanding balances between funds were:

Payable Fund	Receivable Fund	Total
General Fund	Nonmajor Governmental Funds	\$ 171,472

Fund transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and 2) to account for unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers during the year ended June 30, 2024, were as follows:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	\$ 6,143
Reserve for Capital and Nonrecurring Expenditures Fund	General Fund	1,101,860
Reserve for Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	203,675
Nonmajor Governmental Funds	General Fund	32,612
	Total Transfers	\$ 1,344,290

# TOWN OF COLUMBIA, CONNECTICUT

## Notes to the Financial Statements

### NOTE 6 – CAPITAL ASSETS

The following is a summary of the change in capital assets as of June 30, 2024:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$ 2,156,688	\$ -	\$ -	\$ 2,156,688
Construction in Progress	984,019	845,946	(224,794)	1,605,171
Total capital assets, not being depreciated	<u>3,140,707</u>	<u>845,946</u>	<u>(224,794)</u>	<u>3,761,859</u>
Capital assets, being depreciated				
Buildings and Improvements	22,343,322	380,886	-	22,724,208
Land Improvements	1,511,742	7,070	-	1,518,812
Infrastructure	1,650,123	-	-	1,650,123
Furniture and Fixtures	18,700	-	-	18,700
Vehicles	2,594,056	65,444	-	2,659,500
Machinery & Equipment	1,634,338	171,174	(56,870)	1,748,642
Right of Use Equipment	56,308	45,019	(28,176)	73,151
Total capital assets, being depreciated	<u>29,808,589</u>	<u>669,593</u>	<u>(85,046)</u>	<u>30,393,136</u>
Less accumulated depreciation for:				
Buildings and Improvements	12,905,059	611,411	-	13,516,470
Land Improvements	547,091	56,744	-	603,835
Infrastructure	803,152	55,662	-	858,814
Furniture and Fixtures	18,700	-	-	18,700
Vehicles	2,149,732	102,941	-	2,252,673
Machinery & Equipment	955,122	113,841	(56,870)	1,012,093
Right of Use Equipment	19,714	19,714	(28,176)	11,252
Total accumulated depreciation	<u>17,398,570</u>	<u>960,313</u>	<u>(85,046)</u>	<u>18,273,837</u>
Total capital assets, being depreciated, net	<u>12,410,019</u>	<u>(290,720)</u>	<u>-</u>	<u>12,119,299</u>
Capital assets, net	<u>\$ 15,550,726</u>	<u>\$ 555,226</u>	<u>\$ (224,794)</u>	<u>\$ 15,881,158</u>

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

General Government	\$ 153,326
Public Works	190,160
Public Safety	104,327
Recreation	70,413
Education	442,087
Total	<u>\$ 960,313</u>

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

#### NOTE 7 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<i>Governmental Activities</i>					
Equipment Financing Notes	\$ 6,773	\$ -	\$ 6,773	\$ -	\$ -
Leases Payable	37,762	45,019	18,969	63,812	15,594
OPEB Liability	428,553	-	129,151	299,402	88,504
Compensated Absences	150,197	17,095	22,666	144,626	40,034
	<u>\$ 623,285</u>	<u>\$ 62,114</u>	<u>\$ 177,559</u>	<u>\$ 507,840</u>	<u>\$ 144,132</u>

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

#### **Bonds Authorized and Unissued**

At June 30, 2024, there was \$3,396,250 of bonds authorized and unissued for the Horace W. Porter School HVAC project.

#### **Leases Payable**

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

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

Year(s)	Principal	Interest	Total
2025	\$ 15,594	\$ 1,620	\$ 17,214
2026	16,043	1,170	17,213
2027	16,507	707	17,214
2028	15,668	234	15,902
	<u>\$ 63,812</u>	<u>\$ 3,731</u>	<u>\$ 67,543</u>

#### **Statutory Debt Limitation**

The Town's indebtedness does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 34,531,675	\$ -	\$ 34,531,675
Schools	69,063,350	3,396,250	65,667,100
Sewers	57,552,791	-	57,552,791
Urban Renewal	49,879,086	-	49,879,086
Pension Deficit	46,042,233	-	46,042,233

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$107,431,877.

#### **Post-Closure Landfill Costs**

The Town has closed a landfill with no further capacity or estimated useful life. State and federal laws and regulations require that the Town perform certain maintenance and monitoring functions on its closed landfill site for 30 years after closure. The current year expenditures of \$2,083 were recognized in the General Fund.

# TOWN OF COLUMBIA, CONNECTICUT

## Notes to the Financial Statements

### Compensated Absences

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

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

### Special Termination Benefits

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

### NOTE 8 - FUND BALANCE COMPONENTS

The components of fund balance for the governmental funds at June 30, 2024 are as follows:

	General Fund	Reserve for Capital and Nonrecurring Expenditures	American Relief Fund	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>					
Prepays	\$ 50,605	\$ -	\$ -	\$ -	\$ 50,605
Total Nonspendable	<u>50,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,605</u>
<b>Restricted for:</b>					
General Government	-	-	55,750	14,638	70,388
Land Protection	-	-	-	92,013	92,013
Housing Rehabilitation	-	-	-	59,211	59,211
Health & Welfare	-	-	-	34,384	34,384
Recreation	-	-	-	617	617
Education	-	-	-	29,338	29,338
Total Restricted	<u>-</u>	<u>-</u>	<u>55,750</u>	<u>230,201</u>	<u>285,951</u>
<b>Committed to:</b>					
General Government	5,000	-	-	44,534	49,534
Public Safety	-	-	-	13,685	13,685
Health & Welfare	-	-	-	4,069	4,069
Recreation	-	-	-	39,111	39,111
Education	300,000	-	-	-	300,000
Capital Purposes	-	1,994,581	-	-	1,994,581
Total Committed	<u>305,000</u>	<u>1,994,581</u>	<u>-</u>	<u>101,399</u>	<u>2,400,980</u>
<b>Assigned:</b>					
Next Year's Budget	375,000	-	-	-	375,000
Capital Purposes	-	145,403	-	-	145,403
<b>Encumbrances:</b>					
General Government	53,915	-	-	-	53,915
Education	295,954	-	-	-	295,954
Total Assigned	<u>724,869</u>	<u>145,403</u>	<u>-</u>	<u>-</u>	<u>870,272</u>
<b>Unassigned</b>	<u>3,942,638</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,942,638</u>
<b>Total Fund Balances</b>	<u>\$ 5,023,112</u>	<u>\$ 2,139,984</u>	<u>\$ 55,750</u>	<u>\$ 331,600</u>	<u>\$ 7,550,446</u>

## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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#### NOTE 9 – RETIREMENT BENEFITS

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

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

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

*Normal Retirement:* Retirement benefits for the employees are calculated as 2% of the average annual salary times years of credited service (maximum benefit is 75% of average annual salary during the 3 highest years of salary). In addition, amounts derived from the accumulation of the 6% contributions made prior to July 1, 1989, and voluntary contributions are payable.

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

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

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

*Contributions:* Per Connecticut General Studies Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

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

*Employees:* Participants are required to contribute 7% of their annual salary to the System as required by the CGS Section 10-183b(7). For the year ended June 30, 2024, the certified teachers' contribution to the Connecticut Teachers Retirement Board was \$347,267. Covered payroll for the Town for the year ended June 30, 2024, was approximately \$4,960,950.

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

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*Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions:* At June 30, 2024, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>17,864,633</u>
Total	<u>\$ 17,864,633</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2024, the Town had no proportionate share of the net pension liability.

For the year ended June 30, 2024, the Town recognized benefits expense and contribution revenue of \$1,657,592 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$1,710,435 for pension expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

*Actuarial Assumptions:* The total pension liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement.

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

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

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



## TOWN OF COLUMBIA, CONNECTICUT

### Notes to the Financial Statements

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

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as provided by the State of Connecticut's Treasurer's Office are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00%	6.80%
Public Credit	2.00%	2.90%
Core Fixed Income	13.00%	0.40%
Liquidity Fund	1.00%	-0.40%
Risk Mitigation	5.00%	0.10%
Private Equity	15.00%	11.20%
Private Credit	10.00%	6.10%
Real Estate	10.00%	6.20%
Infrastructure and Natural Resources	7.00%	7.70%

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

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate:** The Town's proportionate share of the net pension liability is \$0 and therefore the change in the discount rate would only impact the amount recorded by the State of Connecticut.

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

All non-certified Board of Education employees are eligible to participate in an employer matching contribution 403(b) tax sheltered annuity plan upon date of hire. During the fiscal year ended 2013 the plan was amended to also include administrative employees. The Board of Education makes a 6% contribution for non-certified and administrative employees, based on the employee's date of eligibility. Employer contributions for the current year totaled \$62,310.

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

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**Town Employees**

*Money Purchase Plan*

The Town maintains a single-employer defined-contribution money purchase plan that covers part- and full-time employees of the Town who fulfill specified requirements. The plan is administered and amended by the Town of Columbia. Current participants total 35 employees.

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

Employer contributions for the fiscal year ended June 30, 2024, totaled \$112,574. The contribution is calculated on *compensation* paid for the calendar year, as reportable on Form W-2. The plan allows for amendment by the Town as employer. Assets of the fund are invested as directed by plan participants in mutual funds. The employer pays the costs of plan administration. Employees are not required to make contributions to this plan.

*Section 457 Plan*

The Town adopted and administers a deferred compensation pension plan (Town of Columbia 457(b) Plan) to provide benefits at retirement to employees of the Town. The plan is eligible to employees that are permanent, non-seasonal, non-temporary, non-interim, and scheduled to work 1,000 hours per Fiscal Year or more. An exception exists for those employees that are allowed to participate in the Plan pursuant to terms of a collective bargaining agreement between the Town of Columbia and an employee union. An exception also exists for all non-union employees actively enrolled in the Plan prior to July 1, 2011. At June 30, 2024, there were 30 plan members. A provision has been included to allow pre-tax employee contributions up to 100% of compensation, subject to IRS dollar limits of \$23,000 for 2023-2024. Any participant who is age 50 or older could be eligible for a "catch-up" contribution of \$7,500 in 2023-2024. Income accumulates tax-free until distribution from the plan. The Town's required 3% contribution was \$41,213. Contributions are placed into individual participant accounts, where the funds are invested in mutual funds at the employees' discretion. Each participant has ownership of his or her respective accounts. Plan provisions and contribution requirements are established and may be amended by the Town.

**Other Post-Employment Benefits**

*Plan Description:* The Town has established and administers the Town of Columbia Post-Retirement Medical Insurance Program. The program provides post-employment health care benefits for retired employees who were full-time employees. The benefit is available to Town Hall departments, teachers, administrators, and certain other board of education retirees. Upon retirement, BOE, AFSME and Town retirees pay 100% of the cost of insurance. Under the Connecticut Teachers Retirement Board system, teachers and administrators are eligible at age 50 with 30 years of experience; age 55 with 25 years of experience; or 60 with 10 years of experience. Depending upon the plan selected, these retirees would pay 100% of the cost. Town retirees on or after the age of 55 with 10 years of service can also pay 100% of the cost of insurance and be eligible on the plan until the Medicare age eligibility is met. Benefit provisions and funding requirements may be amended by the Board of Selectman.

*Funding Policy:* The Town appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. Expenditures for premiums for post-employment health care benefits are recognized on the budgetary basis. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75.

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

*Employees Covered by Benefit Terms:* As of July 1, 2023, the date of the latest valuation, the following employees were covered by the benefit terms:

Retirees receiving benefits	5
Active plan members	103
	<u>108</u>

*Total OPEB Liability:* The Town's total OPEB liability of \$299,402 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

*Actuarial Assumptions and Other Inputs:* The total OPEB liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Interest	3.93% based on Bond Buyer 20-Bond Municipal Index effective as of June 30, 2024.
Rate of Compensation Increase	2.40%, including inflation.
Mortality rates	Based on Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Teachers and General Employees, projected to the valuation date with a scale MP-2021.
Mortality Improvement	Projected to date of decrement using Scale MP-2021
Inflation	2.40%
Healthcare Cost Trend Rates	7.0%, reducing by 0.2% each year to an ultimate rate of 4.4% per year rate for 2036 and later.

**Changes in the Total OPEB Liability:**

	Total OPEB Liability
Balance at 6/30/23	\$ 428,553
Changes for the year:	
Service Cost	11,348
Interest	14,455
Difference Between Expected and Actual Experience	(60,243)
Changes in Assumptions	(6,207)
Benefit Payments	(88,504)
Net Changes	(129,151)
Balance at 6/30/24	<u>\$ 299,402</u>

Changes of assumptions primarily reflects a change in the discount rate from 3.65% to 3.93% and a change in the healthcare cost trend rates.

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

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:** The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Total OPEB Liability	\$ 322,371	\$ 299,402	\$ 278,573

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

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 273,587	\$ 299,402	\$ 328,736

**OPEB Expense:** For the year ended June 30, 2024, the Town recognized OPEB expense of \$10,521. As of June 30, 2024, deferred inflows and outflows of resources related to OPEB are reported as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 96,773	\$ (123,791)
Changes of assumptions	37,421	(46,960)
Total	<u>\$ 134,194</u>	<u>\$ (170,751)</u>

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

Year ended June 30:

2025	\$ (3,182)
2026	(3,182)
2027	(3,182)
2028	(3,182)
2029	(2,649)
Thereafter	(21,180)
	<u>\$ (36,557)</u>

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

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**Connecticut Teachers' Retirement System - OPEB**

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

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

Any member that is not currently participating in Medicare Parts A & B is eligible to continue healthcare coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut. Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the system. If they elect to remain in the Plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage. If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

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

School district employers are not required to make contributions to the Plan. The State of Connecticut's estimated allocated contribution to the Plan on behalf of the Town was \$22,557.

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

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

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

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*Actuarial Assumptions* - The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary increases	3.00-6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
<u>Municipal bond index rate:</u>	
Measurement Date	3.65%
Prior Measurement Date	3.54%

The projected fiduciary net position is projected to be depleted in 2028.

Single equivalent interest rate

Measurement Date	3.64%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	3.53%, net of OPEB plan investment expense, Including price inflation

Healthcare cost trend rates:

Medicare	Known increases until calendar year 2024, then general trend decreasing to an ultimate rate of 4.50% by 2031.
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Mortality rates were based on the PubT-2010 Health Retiree Table (adjusted 105% for males and 103% for females as ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

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

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

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

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

Asset Class	Target Allocation	Expected 10-Year Geometric Real Rate of Return	Standard Deviation
U.S. Treasuries (Cash Equivalents)	100.0%	0.77%	1.09%
Price inflation		2.50%	
Expected rate of return (Rounded nearest 0.25%)		3.25%	

*Discount Rate* - The discount rate used to measure the total OPEB liability was 3.64%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2023. In addition to the actuarial methods and assumptions of the June 30, 2023, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the plan's fiduciary net position was projected to be depleted in 2028 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

	1% Lower Trend Rates	Current Trend Rates	1% Higher Trend Rates
Initial Healthcare Cost Trend Rate	4.125%	5.125%	6.125%
Ultimate Healthcare Cost Trend Rate	3.50%	4.50%	5.50%
Total OPEB Liability	\$1,422,774	\$1,673,671	\$2,014,541

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

*Sensitivity of the Net OPEB Liability to Changes in Discount Rates* - The following presents the net OPEB liability, calculated using the current discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (2.64%)	Current Discount Rate (3.64%)	1% Increase (4.64%)
Net OPEB liability	\$2,029,237	\$1,673,671	\$1,393,423

*Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions:* At June 30, 2024 the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the Town were as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>1,673,671</u>
Total	<u>\$ 1,673,671</u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. At June 30, 2024, the Town had no proportionate share of the net OPEB liability.

For the year ended June 30, 2024, the Town recognized OPEB expense and revenue of \$22,557 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized (\$197,169) for OPEB expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

**NOTE 10 – RISK MANAGEMENT**

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

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



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

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**NOTE 11 – LITIGATION AND CONTINGENCIES**

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

**Grants** - The Town participates in several Federal and State assisted grants programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of certain of these programs for or including the year ended June 30, 2024, have not yet been conducted. Accordingly, the Town's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

**NOTE 12 – UPCOMING PRONOUNCEMENTS**

**GASB Pronouncements Issued, But Not Yet Effective**

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

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

GASB Statement No. 102 – *Certain Risk Disclosures* – The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for the Town's reporting period beginning July 1, 2024.

GASB Statement No. 103 – *Financial Reporting Model Improvements* – The objective of this Statement is to provide key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for the Town's reporting period beginning July 1, 2025.

GASB Statement No. 104 – *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for the Town's reporting period beginning July 1, 2025.

**NOTE 13 – SUBSEQUENT EVENTS**

At a special town meeting in December 2024, the amount of bonds authorized for the Horace W. Porter School HVAC project was approved to increase from \$3,396,250 to \$5,500,000.

## **Required Supplementary Information**

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

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's percentage of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	17,864,633	18,630,628	15,036,568	18,985,363	17,567,758	13,545,762	13,636,722	14,386,846	11,682,199	10,797,852
<b>Total</b>	<b>\$ 17,864,633</b>	<b>\$ 18,630,628</b>	<b>\$ 15,036,568</b>	<b>\$ 18,985,363</b>	<b>\$ 17,567,758</b>	<b>\$ 13,545,762</b>	<b>\$ 13,636,722</b>	<b>\$ 14,386,846</b>	<b>\$ 11,682,199</b>	<b>\$ 10,797,852</b>
Town's covered payroll	\$ 4,960,951	\$ 4,695,730	\$ 4,438,394	\$ 4,632,428	\$ 4,616,261	\$ 4,537,221	\$ 4,371,611	\$ 5,077,981	\$ 4,059,834	\$ 3,989,917
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

**Notes to Schedule**

Actuarial cost method

Amortization method

Remaining amortization period

Asset valuation method

Inflation

Salary increases

Investment rate of return

Entry Age

Level percent of pay closed, grading to a level dollar amortization method for the June 30, 2024 valuation.

27.8 years

4-year smoothed market

2.50%

3.00% - 6.50% average, including inflation

6.90% net of investment related expense

See accountant's report.

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

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Cost	\$ 11,348	\$ 11,086	\$ 17,042	\$ 16,225	\$ 15,262	\$ 13,686	\$ 13,776
Interest	14,455	14,860	10,006	9,988	18,974	19,811	18,441
Differences Between Expected and Actual Experience	(60,243)	29,637	42,298	53,264	(118,378)	2,098	8,389
Changes in Assumptions	(6,207)	(3,561)	(42,610)	1,917	48,057	18,408	(14,960)
Benefit Payments, Including Refunds of Member Contributions	<u>(88,504)</u>	<u>(63,779)</u>	<u>(64,935)</u>	<u>(76,761)</u>	<u>(30,411)</u>	<u>(23,512)</u>	<u>(33,886)</u>
<b>Net Change in Total OPEB Liability</b>	(129,151)	(11,757)	(38,199)	4,633	(66,496)	30,491	(8,240)
<b>Total OPEB Liability - Beginning</b>	<u>428,553</u>	<u>440,310</u>	<u>478,509</u>	<u>473,876</u>	<u>540,372</u>	<u>509,881</u>	<u>518,121</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 299,402</u>	<u>\$ 428,553</u>	<u>\$ 440,310</u>	<u>\$ 478,509</u>	<u>\$ 473,876</u>	<u>\$ 540,372</u>	<u>\$ 509,881</u>
<b>Covered-Employee Payroll</b>	\$ 7,390,961	\$ 6,929,100	\$ 6,766,699	\$ 6,201,500	\$ 6,056,154	\$ 6,398,900	\$ 6,236,700
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	4.05%	6.18%	6.51%	7.72%	7.82%	8.44%	8.18%

**Notes to Schedule**

Measurement Date	June 30, 2024
Valuation Date	July 1, 2023
Actuarial Cost Method	Entry Age Normal
Discount Rate	3.93%

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

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

See accountant's report.

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

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

	2024	2023	2022	2021	2020	2019	2018
Town's percentage of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	1,673,671	1,631,616	1,638,207	2,831,668	2,739,791	2,707,919	3,509,924
Total	<u>\$ 1,673,671</u>	<u>\$ 1,631,616</u>	<u>\$ 1,638,207</u>	<u>\$ 2,831,668</u>	<u>\$ 2,739,791</u>	<u>\$ 2,707,919</u>	<u>\$ 3,509,924</u>
Town's covered-employee payroll	\$ 4,960,951	\$ 4,695,730	\$ 4,438,394	\$ 4,632,428	\$ 4,616,261	\$ 4,537,221	\$ 4,371,611
Town's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

**Notes to Schedule**

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

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

See accountant's report.

## APPENDIX B – FORM OF OPINION OF BOND COUNSEL AND TAX MATTERS

June 25, 2025

Town of Columbia  
Town Hall  
323 Route 87  
Columbia, CT 06237

RE: Town of Columbia, Connecticut  
\$5,500,000 General Obligation Bond Anticipation Notes, dated June 25, 2025

Greetings:

We have acted as bond counsel to the Town of Columbia, Connecticut (the “Town”) in connection with the issuance by the Town of its \$5,500,000 General Obligation Bond Anticipation Notes, dated June 25, 2025 (the “Notes”).

In connection therewith, we have examined the law and such other materials as we have deemed necessary in order to render this opinion and have relied upon originals or copies, certified or otherwise identified to our satisfaction, of such public and private records, certificates and correspondence of public officials, including certificates of officials of the Town, and such other documents as were provided to us. In making such examinations, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of documents submitted as certified or photostatic copies, the validity of all applicable statutes, ordinances, rules and regulations, the capacity of all persons executing documents and the proper indexing and accuracy of all public records and documents. As to questions of fact material to our opinion, we have relied upon written representations and agreements executed by officials of the Town authorized to issue the Notes, in connection with the issuance and delivery of the Notes, without undertaking to verify the same by independent investigation.

Based upon the foregoing examination, we are of the opinion, as of the date hereof and under existing law, as follows:

1. When certified as provided thereon by a duly authorized official of U.S. Bank Trust Company, National Association, the Notes will be the valid and binding general obligations of the Town.
2. The Notes will be payable as to both principal and interest, unless paid from other sources, from *ad valorem* taxes which may be levied on all taxable property in the territory of the Town without limitation regarding rate or amount, except as to certain classified property. Pursuant to the Connecticut General Statutes, classified property includes certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts.
3. Interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Town has designated the Notes as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for 80% of that portion of such financial institutions’ interest expense allocable to interest on the Notes.

The opinions set forth in the preceding paragraphs are subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

4. Interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates subject to and required to pay the federal alternative minimum tax.

The rights of the holders of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement dated June 4, 2025, the final Official Statement dated June 11, 2025, or any other offering material relating to the Notes.

Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligations to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Very truly yours,

UPDIKE, KELLY & SPELLACY, P.C.

## **TAX MATTERS**

### ***Federal Tax Matters***

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements which must be met at and subsequent to delivery of the Notes in order that interest on the Notes be and remains excluded from gross income for federal income tax purposes. Failure to comply with the continuing requirements of the Code may cause interest on the Notes to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes, irrespective of the date on which such noncompliance occurs. The Tax Regulatory Agreement, which will be executed and delivered by the Town concurrently with the Notes, contains certain representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Notes in order to comply with requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Town also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Notes shall be excluded from gross income for federal income tax purposes under the Code.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Town with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Notes is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax; however, such interest is taken into account in determining the adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations.

Ownership of the Notes may result in certain collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits, taxpayers utilizing the earned income credit and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Notes. The foregoing is not intended to be an exhaustive list of potential tax consequences. Prospective purchasers of the Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of ownership and disposition of the Notes.

### ***State Taxes***

In the opinion of Bond Counsel, based on existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. The opinion of Bond Counsel is rendered as of its date and is based on existing law, which is subject to change. Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention, or to reflect any changes in law that may thereafter occur or become effective.

Interest on the Notes is included in gross income for purposes of the Connecticut corporation business tax.

No assurance can be given that future legislation, or amendments to the income tax law of the State of Connecticut, if enacted into law, will not contain provisions that could, directly or indirectly, reduce the benefit of the exclusion of the interest on the Notes or any gain made on the sale or exchange thereof from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and Bond Counsel expresses no opinion thereon.

Prospective purchasers of the Notes are advised to consult their own tax advisors regarding other state and local tax consequences of ownership and disposition of the Notes.

### ***Original Issue Discount***

With respect to any of the Notes where the initial public offering price of such Notes is less than the amount payable on those Notes at maturity (the “OID Notes”), the difference between the initial public offering price to the public (excluding bond houses and brokers) at which a substantial amount of the OID Notes is sold and the amount payable on such OID Notes at maturity will constitute original issue discount (“OID”). The offering prices relating to the yields set forth on the cover page of the Official Statement for the OID Notes are expected to be the initial offering prices to the public at which a substantial amount of each maturity of the OID Notes are sold. Under existing law, OID on the Notes accrued and properly allocable to the owners thereof under the Code is not includable in gross income of the owners of the Notes for federal income tax purposes if interest on the Notes is not included in gross income for federal income tax purposes. Accrued original issue discount on an OID Note is also excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts



and estates and is excludable from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax.

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any note during each day it is owned is added to the adjusted basis of such owner for purposes of determining gain or loss upon the sale or other disposition of such notes by such owner. Original issue discount on any bond is treated as accruing on the basis of economic accrual, computed by a constant semiannual compounding method using the yield to maturity on such note, and the adjusted basis of such OID Note acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. Owners of the OID Notes are advised to consult with their tax advisors with respect to the Federal, state and local tax consequences of owning the OID Notes.

Prospective purchasers of OID Notes should consult their own tax advisors as to the calculation of accrued OID, the accrual of OID in the cases of owners of the OID Notes purchasing such Notes after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Notes.

### ***Original Issue Premium***

With respect to any of the Notes where the initial public offering price of such Notes is greater than the amount payable on those Notes at maturity (the "OIP Notes"), the excess of the price paid by the first owner of an OIP Note over the principal amount payable at maturity, of such OIP Note constitutes original issue premium. Original issue premium on any note is treated as amortizing on the basis of the taxpayer's yield to maturity using the taxpayer's adjusted basis and a constant semiannual compounding method. The portion of such premium amortizing over the period the OIP Note is held by the owner does not reduce taxable income for purposes of either the federal income tax or the Connecticut income tax on individuals, trusts and estates and does not reduce amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax, but it does reduce the owner's adjusted basis in the OIP Note for purposes of determining gain or loss on its disposition. Prospective purchasers of OIP Notes should consult their own tax advisors regarding the amortization of premium and the effect upon basis.

### ***Proposed Legislation and Other Matters***

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Notes, gain from the sale or other disposition of the Notes, the market value of the Notes, or the marketability of the Notes, or otherwise prevent the owners of the Notes from realizing the full current benefit of the exclusion from gross income of the interest thereon. For example, federal legislative proposals have been made recently and in recent years that would, among other things, limit the exclusion from gross income of interest on obligations such as the Notes for higher-income taxpayers. If enacted into law, such proposals could affect the tax exemption of interest on the Notes or the market price for, or marketability of, the Notes. No assurance can be given with respect to the impact of future legislation on the Notes. Prospective purchasers of the Notes should consult their own tax and financial advisors regarding such matters.

### ***General***

The opinions of Bond Counsel are rendered as of their date, and Bond Counsel assumes no obligation to update or supplement their opinion to reflect any facts or circumstances that may come to their attention or any changes in law that may occur after the date of their opinion. Bond Counsel's opinions are based on existing law, which is subject to change. Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Notes may affect the tax status of interest on the Notes. No assurance can be given that future federal legislation enacted or proposed after the date of issuance of the Notes will not have an adverse effect on the tax-exempt status or market price of the Notes or will not change the effect of other federal tax law consequences discussed above of owning and disposing of the Notes. No assurance can be given that future legislation, or amendments to the State of Connecticut income tax law, if enacted into law, will not contain provisions which could, directly or indirectly, reduce the benefit of the exclusion of the interest on the Notes or any gain made on the sale or exchange thereof from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates. The opinions of Bond Counsel are further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinions.

The information above does not purport to deal with all aspects of federal or state taxation that may be relevant to particular investors. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal and state tax consequences of owning and disposing of the Notes, including any tax consequences arising under the laws of any state or other taxing jurisdiction.

## APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

### CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (“Agreement”) is executed and delivered as of the 25<sup>th</sup> day of June, 2025, by the Town of Columbia, Connecticut (the “Town”), acting by its undersigned officers, duly authorized, in connection with the issuance of \$5,500,000 General Obligation Bond Anticipation Notes, dated June 25, 2025 (the “Notes”) for the benefit of the beneficial owners from time to time of the Notes.

#### **Section 1. Definitions.**

For purposes of this Agreement, the following capitalized terms shall have the following meanings:

“Final Official Statement” means the official statement of the Town, dated June \_\_, 2025, prepared in connection with the Notes.

“Listed Events” means any of the events listed in Section 2 of this Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” means the MSRB, through the operation of the Electronic Municipal Market Access (EMMA) system as described in 1934 Act Release No. 59061 and maintained by the MSRB for purposes of the Rule, or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

“Rule” means rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

#### **Section 2. Reporting of Listed Events.**

The Town agrees to provide, or cause to be provided, to the Repository in an electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of the occurrence of any of the following Listed Events with respect to the Notes, in a timely manner not later than ten (10) business days after the occurrence of any such Listed Event:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;
- (g) modifications to rights of holders of the Notes, if material;
- (h) bond calls, if material, and tender offers;

- (i) defeasances;
- (j) release, substitution, or sale of property securing repayment of the Notes, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Town;

Note to clause (l): For the purposes of the event identified in clause (l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town;

- (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of trustee, if material;
- (o) the incurrence of a financial obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect securities holders, if material; and
- (p) a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

Note to clauses (o) and (p): For the purposes of the events identified in clauses (o) and (p) above, the term “financial obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii) but shall not include municipal securities as to which a final official statement has been provided to MSRB consistent with the Rule.

### **Section 3. Use of Agents.**

Notices to be provided pursuant to this Agreement may be provided by the Town or by any agents which may be employed by the Town for such purpose from time to time.

### **Section 4. Termination.**

The obligations of the Town under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Notes, or (ii) such time as the Town ceases to be an obligated person with respect to the Notes within the meaning of the Rule.

### **Section 5. Enforcement.**

The Town acknowledges that the undertakings set forth in Section 2 of this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Notes. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure within a reasonable time (but not exceeding five (5) business days) from the time the First Selectman, or a successor, receives written notice from any beneficial owner of the Notes of such failure. For purposes of this section, notice to the Town should be made to the First Selectman, Town Hall, 323 Route 87, Columbia, Connecticut 06237.

In the event the Town does not cure such failure within the time specified above, the beneficial owner of any of the Notes shall be entitled only to the remedy of specific performance. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Notes.

**Section 6. Miscellaneous.**

(a) The Town shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Town from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Notes. If the Town elects to provide any such additional information, data or notices, the Town shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(b) This Agreement shall be governed by the laws of the State of Connecticut.

(c) Notwithstanding any other provisions of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, (ii) this Agreement as so amended or waived would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (iii) such amendment or waiver is supported by either an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owners of the Notes or an approving vote by the holders of not less than 66 2/3% of the aggregate principal amount of the Notes then outstanding. A copy of any such amendment or waiver will be filed in a timely manner with the Repository in electronic format.

TOWN OF COLUMBIA, CONNECTICUT

By: \_\_\_\_\_  
STEVEN EVERETT  
First Selectman

By: \_\_\_\_\_  
MARK WALTER  
Town Administrator

By: \_\_\_\_\_  
BEVERLY CIURYLO  
Finance Director/Treasurer

## APPENDIX D – NOTICE OF SALE

### NOTICE OF SALE

#### TOWN OF COLUMBIA, CONNECTICUT

#### **\$5,500,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES (BANK QUALIFIED)**

PROPOSALS will be received by the TOWN OF COLUMBIA, CONNECTICUT (the “Town”), by ELECTRONIC BID via PARITY® at the Town of Columbia, Town Hall, 323 Route 87, Columbia, Connecticut 06237, until 11:00 A.M. (Eastern Time) on WEDNESDAY,

JUNE 11, 2025

for the purchase, when issued, of all, or any part of, the Town’s \$5,500,000 General Obligation Bond Anticipation Notes, dated June 25, 2025 and due June 24, 2026 (the “Notes”).

The Notes are due and payable as to both principal and interest at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum. Interest shall be computed on the basis of a 30-day month and a 360-day year. The Notes are **not** subject to redemption prior to maturity.

**Nature of Obligation.** The Notes will constitute general obligations of the Town, and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due. Unless paid from other sources, the Notes are payable from ad valorem taxes levied against all taxable property subject to taxation by the Town. All property taxation is without limit as to rate or amount, except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income and of qualified disabled persons taxable at limited amounts.

**Bank Qualification.** The Notes **SHALL BE** designated by the Town as qualified tax exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Notes.

**Delivery Date and Payment.** The Notes will be delivered against payment in immediately available federal funds through the facilities of The Depository Trust Company, New York, New York on June 25, 2025.

**Book-Entry.** The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Notes in principal amounts of \$5,000, or any integral multiples thereof, with transfers of ownership affected on the records of DTC and its Participants pursuant to rules and procedures adopted by DTC and its Participants. The purchaser, as a condition to delivery of the Notes, will be required to deposit the note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Town or its agent to DTC or its nominee as registered owner of the Notes. Principal and interest payments by DTC to Participants of DTC will be the responsibility of DTC; principal and interest payments to Beneficial Owners by Participants of DTC will be the responsibility of such Participants and other nominees of Beneficial Owners. The Town will not be responsible or liable for payments by DTC to its Participants or by DTC Participants or Indirect Participants to Beneficial Owners or for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. Upon receipt from the Town, the Paying Agent will pay principal of and interest on the Notes directly to DTC so long as DTC or its nominee, Cede & Co, is the noteholder.

**Bid Terms and Basis of Award.** Except as otherwise provided herein, bidders may submit proposals for all or any part of the Notes, but any proposal for a part must be for a minimum of \$100,000 of principal amount or integral multiples of \$5,000 in excess thereof. A separate proposal is required for each part of the Notes for which a separate stated interest rate is bid. Bidders are to name one rate of interest in a multiple of one hundredths (1/100ths) of one per cent for each part of the Notes for which a separate interest rate is bid. Unless all bids are rejected, the Notes will be awarded to the responsible bidder or bidders offering to purchase the Notes at the lowest net interest cost to the Town, which will be determined for each interest rate stated in the proposal based on the total interest to be payable at such rate and deducting therefrom any premium.

If there is more than one responsible bidder making said offer at the same lowest net interest cost, the Notes will be sold to the responsible bidder with a proposal for the highest principal amount of Notes specified. No bid for less than par and accrued interest, if any, will be considered. The Town reserves the right to award to any bidder all or any part of the Notes bid in its proposal. If a bidder is awarded only a part of the Notes, any premium offered in such proposal will be proportionately reduced so that the resulting net interest rate with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to four places. The right is reserved to reject any and all bids and to waive any irregularity or informality with respect to any bid. The Town further reserves the right to postpone the sale to another time and date in its sole discretion for any reason. The Town will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement.

**Electronic Proposals Bidding Procedure.** Electronic bids for the purchase of the Notes must be submitted through the facilities of **PARITY®** by 11:00 A.M. (Eastern Time) on Wednesday, June 11, 2025. Any prospective bidder must be a subscriber of Ipreo's BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o Ipreo LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 – email notice: [parity@ihsmarkit.com](mailto:parity@ihsmarkit.com)). The Town neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe. All bids shall be deemed to incorporate the provisions of this Notice.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Town, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Town. By submitting a bid for the Notes via **PARITY®**, the bidder represents and warrants to the Town that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice. **The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY®, the use of PARITY® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

**Disclaimer.** Each of **PARITY®** prospective electronic bidders shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Town nor **PARITY®** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town or **PARITY®** shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY®**. The Town is using **PARITY®** as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Notes. The Town is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY®** are the sole responsibility of the bidders; and the Town is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Notes, the prospective bidder should telephone **PARITY®** at (212) 849-5021. If any provision of this Notice shall conflict with information provided by **PARITY®**, this Notice shall control.

For the purpose of the sealed proposals bidding procedure and the electronic proposals bidding procedure, the time maintained on **PARITY®** shall constitute the official time.

**Certifying Agent, Registrar, Paying Agent and Transfer Agent.** The Notes will be certified by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

**Bond Counsel Opinion.** The legality of the issue will be passed upon by Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form attached as Appendix B to the Official Statement. The opinion will appear on each Note certificate and will state that the Notes are valid and binding obligations of the Town. Absent special circumstances preventing compliance, Bond Counsel will require as a precondition to release of its opinion printed on the Notes that the purchaser of such Notes deliver to it a completed "issue price" certificate regarding public offering prices with respect to the Notes awarded to such bidder, as described below under "Establishment of Issue Price".

**Establishment of Issue Price.** In order to provide the Town with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), relating to the exclusion of interest on the Notes from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Town at or prior to the delivery of the Notes an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Notes, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Jennifer Egan, Esq., Updike, Kelly & Spellacy, P.C., 225 Asylum Street, 20th Floor, Hartford, CT 06103, Telephone: (860) 548-2628, E-mail: [jegan@uks.com](mailto:jegan@uks.com) and (2) the Municipal Advisor at William Lindsay, Managing Director, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, Telephone: (203) 421-2880, E-mail: [bill.lindsay@munistat.com](mailto:bill.lindsay@munistat.com) (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Town and the Municipal Advisor may act on behalf of the Town.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Town that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Notes, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes, and understands that upon award by the Town that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Town.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

**Notification of Contact Information of Winning Bidder.** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

**Competitive Sale Rule.** The Town intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “Competitive Sale Rule”) because:

- (1) the Town shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Town anticipates receiving bids from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Town anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

**Competitive Sale Rule Met.** The Town, or the Municipal Advisor on behalf of the Town, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

**Competitive Sale Rule Not Met.** In the event that the Competitive Sale Rule is not satisfied, the Town, or the Municipal Advisor on behalf of the Town, shall at the time of award advise the winning bidder. The Town may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Notes (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Notes as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 3:30 p.m. (Eastern Time) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (A)(I) of the first price at which ten percent (10%) of each Maturity of Notes has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities of the Notes that satisfy the Actual Sales Rule as of the Sale Date, and (B) those Maturities of the Notes that the winning bidder is purchasing for its own account and not with a view to distribution or resale of such Maturity to the Public. After such receipt, the Town, or Bond Counsel on behalf of the Town, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Notes shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Notes subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Notes, (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Notes to the Public on or before the date of award at the Initial Offering Prices, and (iii) agree, on behalf of each Underwriter participating in the purchase of the Notes, that each Underwriter will neither offer nor sell unsold Notes of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public, and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third party distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such third party distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public, and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.



- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Town (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third party distribution agreement participating in the initial sale of the Notes to the Public).

**Official Statement.** For more information regarding the Notes or the Town, reference is made to the Preliminary Official Statement dated June 4, 2025 (the “Official Statement”) describing the Notes and the financial condition of the Town. The Official Statement is available in electronic format at [www.i-dealprospectus.com](http://www.i-dealprospectus.com), and such electronic access is being provided as a matter of convenience only. Copies of the Official Statement may be obtained from the Municipal Advisor. The Town deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Town will make available to the purchaser a reasonable number of copies of the final Official Statement at the Town’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Notes or by the seventh (7th) business day after the day bids on the Notes are received. If the Town’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Notes, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

**Continuing Disclosure.** As required by the Rule, the Town will undertake, pursuant to a Continuing Disclosure Agreement, to provide notice of the occurrence of certain events with respect to the Notes within ten (10) business days of the occurrence of such events. The Continuing Disclosure Agreement will be substantially in the form attached as Appendix C to the Official Statement. The winning bidder’s obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to delivery of the Notes, an executed copy of the Continuing Disclosure Agreement.

**Delivery, Payment and Closing Requirements.** The Notes will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer (“FAST”) on or about June 25, 2025. At or prior to the delivery of the Notes, the winning bidder shall be furnished, without cost, with (a) the approving opinion of Updike, Kelly & Spellacy, P.C. of Hartford, Connecticut (see “Bond Counsel Opinion” above); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Notes, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Notes or the power of the Town to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this note issue; (d) a certificate of Town Officials relating to the accuracy and completeness of the Official Statement, (e) an executed copy of the Continuing Disclosure Agreement; and (f) a receipt of payment for the Notes.

The Town will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Town’s costs of issuance except to the extent specifically stated in this Notice of Sale. The purchaser will be responsible for the clearance or exemption with respect to the status of the Notes for sale under securities or “Blue Sky” laws and the preparation of any surveys or memoranda in connection with such sale. The Town shall have no responsibility for such clearance, exemption or preparation.

**CUSIP Numbers.** The deposit of the Notes with DTC under book-entry system requires the assignment of CUSIP numbers prior to delivery. The Town's Municipal Advisor will apply for CUSIP numbers for the Notes prior to delivery. Neither the failure to print such CUSIP number on any note, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid by the Town provided, however, that the Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

TOWN OF COLUMBIA, CONNECTICUT

STEVEN EVERETT  
First Selectman

BEVERLY CIURYLO  
Finance Director/Treasurer

MARK WALTER  
Town Administrator

June 4, 2025

**ATTACHMENT A**

**ISSUE PRICE CERTIFICATE**

Town of Columbia, Connecticut  
\$5,500,000 General Obligation Bond Anticipation Notes  
Dated and Issued June 25, 2025

The undersigned, on behalf of [Underwriter] (“[Short Name of Underwriter]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Notes”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [Short Name of Underwriter], the purchaser of the Notes.

2. ***Purchase Price.*** The Town of Columbia, Connecticut (the “Issuer”) sold to [Short Name of Underwriter], for delivery on or about June 25, 2025 (the “Issue Date”), the Notes at a price of par (\$[Par]), plus an aggregate net premium of \$ \_\_\_\_\_ and less an underwriter’s discount of \$ \_\_\_\_\_, resulting in an aggregate net purchase price of \$ \_\_\_\_\_.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of June 11, 2025 (the “Sale Date”), the reasonably expected initial offering price(s) of the Notes to the Public by [Short Name of Underwriter] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Notes used by [Short Name of Underwriter] in formulating its bid to purchase the Notes. Attached as **Schedule B** is a true and correct copy of the bid provided by [Short Name of Underwriter] to purchase the Notes.

(b) [Short Name of Underwriter] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [Short Name of Underwriter] constituted a firm offer to purchase the Notes.

4. ***Defined Terms.***

(a) “Maturity” means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of the selling group or a party to a third party distribution agreement participating in the initial sale of the Notes to the Public).

5. ***Representations and Information.*** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [Short Name of Underwriter]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (collectively, the “Code”). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Notes under the Code and with respect to compliance with the federal income tax rules affecting the Notes. Updike, Kelly & Spellacy, P.C., bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Notes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Notes. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of June 25, 2025.

**[UNDERWRITER]**

By: \_\_\_\_\_  
Name:  
Title:

**Schedule A to Issue Price Certificate**

Maturity <u>Date</u>	<u>Principal Amount (\$)</u>	Interest <u>Rate (%)</u>	Price <u>(\$, not Yield)</u>
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**Schedule B to Issue Price Certificate**

[Copy of Bid]