

TOWN OF VOLUNTOWN, CONNECTICUT

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

with

SUPPLEMENTAL STATEMENTS AND SCHEDULES

and

INDEPENDENT AUDITORS' REPORT

Sandra E. Welwood, LLC

Certified Public Accountants

TOWN OF VOLUNTOWN, CONNECTICUT

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INDEPENDENT AUDITORS' REPORT

To the Board of Selectmen
Town of Voluntown, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Voluntown, Connecticut (the "Town") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2018, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 8 and the required supplementary information on page 35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The General Fund budgetary comparison detail schedules, combining and individual nonmajor fund financial statements, Statement of Debt Limitation, and the Report of the Tax Collector are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The General Fund budgetary comparison detail schedules, combining and individual nonmajor fund financial statements, Statement of Debt Limitation, and the Report of the Tax Collector are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund budgetary comparison detail schedules, combining and individual nonmajor fund financial statements, Statement of Debt Limitation, and the Report of the Tax Collector 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 September 26, 2018, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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.



Danbury, Connecticut
September 26, 2018

TOWN OF VOLUNTOWN, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2018

The Management of the Town of Voluntown (the "Town") is pleased to present this overview of the financial activities of the Town for the fiscal year ended June 30, 2018. The information presented below should be considered in conjunction with the Town's financial statements that follow.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$12,527,235. Of that, \$9,822,770 was invested in capital assets and \$2,704,465 represented unrestricted net position available to meet the Town's ongoing government obligations.
- The Town's total net position increased by \$44,579. This increase is mostly attributable to property tax revenue.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$2,826,742. Approximately 48% of this total amount, \$1,359,420, is available for spending at the government's discretion (unassigned fund balance). The Town attempts to maintain a minimum unassigned fund balance equal to approximately 10% of the annual budget.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,359,420 or 14.6% of total General Fund expenditures on a budgetary basis.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the Town's basic financial statements. The basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. All of the resources the Town has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the Town's overall financial status.

The Statement of Net Position presents information on all of the town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Town of Voluntown, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event 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 fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements (Statement of Net Position and Statement of Activities) can be found on pages 9-10 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 Voluntown, 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 can be divided into two categories:

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 Town's near-term financing requirement.

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 Town's near-term financial decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains eight 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 and Capital Projects Fund which are considered to be major funds. There are four Special Revenue Funds, one Capital Projects Fund and one Permanent Fund. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances) can be found on pages 11-14 of this report.

Fiduciary Funds are used to account for resources held by the Town 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 provide services to the Town.

The basic fiduciary fund financial statements can be found on page 16.

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. Included in the notes is the information concerning the Town funding of its obligation to provide pension benefits to its employees. The notes to the financial statements can be found on pages 17-34 of this report.

Town of Voluntown, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

Other Information. The required supplementary information, supplemental, and combining fund statements, and other schedules can be found beginning on page 35 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. In the case of the Town, assets exceed liabilities by \$12,527,235 at the close of the fiscal year ended June 30, 2018.

By far the largest portion of the Town's net position reflects its investment in capital assets (e.g., land, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in 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.

Town of Voluntown
Net Position

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
	<u>Governmental</u> <u>Activities</u>	<u>Governmental</u> <u>Activities</u>
<u>Assets</u>		
Current assets	\$ 3,524,458	\$ 3,054,610
Capital assets	<u>9,913,127</u>	<u>10,309,125</u>
Total assets	<u>13,437,585</u>	<u>13,363,735</u>
<u>Liabilities</u>		
Current liabilities	497,916	291,834
Other liabilities	<u>412,434</u>	<u>589,245</u>
Total liabilities	<u>910,350</u>	<u>881,079</u>
<u>Net position</u>		
Net investment in capital assets	9,822,770	10,045,068
Unrestricted	<u>2,704,465</u>	<u>2,437,588</u>
Total net position	<u>\$ 12,527,235</u>	<u>\$ 12,482,656</u>

Town of Voluntown, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

Governmental Activities

Governmental activities increased the Town's net position by \$44,579. Key elements of this decrease are as follows:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
	<u>Governmental</u>	<u>Governmental</u>
	<u>Activities</u>	<u>Activities</u>
Revenues:		
Program revenues:		
Charges for services	\$ 125,966	\$ 86,409
Operating grants and contributions	4,438,469	4,310,418
Capital grants and contributions	215,108	189,970
General revenues:		
Property taxes	6,056,975	5,699,529
Grants and contributions not restricted to specific programs	346,181	447,482
Investment earnings	<u>3,976</u>	<u>1,341</u>
Total revenues	<u>11,186,675</u>	<u>10,735,149</u>
Expenses:		
General government	1,387,460	707,183
Public safety	265,267	270,670
Public works	569,774	470,495
Health and welfare	27,733	26,891
Library services	69,493	63,427
Recreation	188,205	21,991
Insurance & bonds	190,864	199,819
Board of Education	<u>8,443,300</u>	<u>9,041,341</u>
Total expenses	<u>11,142,096</u>	<u>10,801,817</u>
Change in net position	44,579	(66,668)
Net position, beginning of year	<u>12,482,656</u>	<u>12,549,324</u>
Net position, end of year	<u>\$ 12,527,235</u>	<u>\$ 12,482,656</u>

Town of Voluntown, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

Major revenue factors included:

- Property tax revenues recorded for fiscal year 2018 reflect an increase of \$357,446, operating grants and contributions increased \$128,051, and capital grants and contributions increased \$25,138.

For governmental activities, more than 73.8% of the Town's expenditures related to education, 5.1% relate to public works, 12.5% to general government services, and the remainder relates to other areas.

Major expenditure factors include:

- Decrease in Board of Education expenditures in the amount of \$598,041 and an increase in general government expenditures in the amount of \$680,277.
- Public Works and recreation costs increased.
- Public Safety and Health and Welfare costs remained constant.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the Town'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's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a Town's net resources available for spending at the end of the fiscal year.

As of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$2,826,742, an increase of \$274,191 in comparison with the prior year. \$1,359,420 constitutes unassigned fund balance.

General fund. The General Fund is the operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,359,420. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.6% of the total General Fund expenditures.

The fund balance of the Town's General Fund decreased by \$727,193 during the current fiscal year. The key factor in this decrease is that an additional \$877,000 was appropriated and transferred to the Capital Projects Fund, primarily for the Town Garage Project.

Town of Voluntown, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

General Fund Budgetary Highlights

There were additional appropriations to the original budget in the amount of \$877,000.

During the year, actual revenues on a budgetary basis were \$8,583,972, which were more than budgetary estimates by \$180,435. Property tax revenue exceeded budget by \$125,318.

Actual expenditures on a budgetary basis totaled \$9,282,876. Actual expenditures were over the final budget by \$2,339.

Capital Assets and Debt Administration

Capital Assets. The Town of Voluntown's investment in capital assets for its governmental activities as of June 30, 2018, amounts to \$9,913,127 (net of accumulated depreciation). This investment in capital assets includes land, building and system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Additional information on the Town of Voluntown's capital assets can be found in Note 5 of this report.

Long-Term Debt. At the end of the current fiscal year, the Town of Voluntown had no long-term debt outstanding.

The overall statutory debt limit for the Town of Voluntown is equal to seven times annual receipts from taxation or \$39.7 million. As of June 30, 2018, the Town recorded \$178,355 long-term debt related to Governmental Activities, well below its statutory debt limits.

Additional information on the Town of Voluntown's long-term debt can be found in Note 6 of this report.

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2019 budget and tax rates. The goal is to maximize efficiencies to keep expenditures in check, while providing the desired level of services to the Townspeople.

Requests for Information

This financial report is designed to provide a general overview of the Town of Voluntown'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 information, should be addressed to the Office of the First Selectman, Voluntown Town Hall, Voluntown, Connecticut.

TOWN OF VOLUNTOWN, CONNECTICUT

STATEMENT OF NET POSITION
JUNE 30, 2018

Assets

Current assets:	
Cash and cash equivalents	\$ 3,171,471
Receivables (net of uncollectible)	
Property taxes	323,335
Accounts receivable	29,652
Noncurrent assets:	
Capital assets not being depreciated	401,974
Capital assets, net of accumulated depreciation	9,511,153
Total assets	13,437,585

Liabilities

Current liabilities:	
Accounts payable and accrued liabilities	345,929
Unearned revenue	56,989
Performance bonds payable	7,000
Noncurrent liabilities:	
Due within one year	87,998
Due in more than one year	412,434
Total liabilities	910,350

Net Position

Net investments in capital assets	9,822,770
Unrestricted	2,704,465
Total net position	\$ 12,527,235

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

TOWN OF VOLUNTOWN, CONNECTICUT

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General government	\$ (1,387,460)	\$ 81,928	\$ 685,184	\$ -	\$ (620,348)
Public safety	(265,267)	-	-	-	(265,267)
Public works	(569,774)	-	172,341	53,550	(343,883)
Health and welfare	(27,733)	-	-	-	(27,733)
Library services	(69,493)	-	-	-	(69,493)
Recreation	(188,205)	-	-	161,558	(26,647)
Insurance & bonds	(190,864)	-	-	-	(190,864)
Education	(8,443,300)	44,038	3,580,944	-	(4,818,318)
Total	\$ (11,142,096)	\$ 125,966	\$ 4,438,469	\$ 215,108	(6,362,553)
General revenues:					
					6,056,975
					346,181
					3,976
					<u>6,407,132</u>
					44,579
					<u>12,482,656</u>
					<u>\$ 12,527,235</u>

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

TOWN OF VOLUNTOWN, CONNECTICUT

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2018**

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
<u>Assets</u>				
Cash and cash equivalents	\$ 2,253,700	\$ 740,226	\$ 177,545	\$ 3,171,471
Receivables				
Property taxes	323,335	-	-	323,335
Grant funds	-	-	8,145	8,145
Other	21,507	-	-	21,507
Due from other funds	-	588,230	10,165	598,395
Total assets	\$ 2,598,542	\$ 1,328,456	\$ 195,855	\$ 4,122,853
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 345,929	\$ -	\$ -	\$ 345,929
Unearned revenue	-	-	56,989	56,989
Performance bonds payable	7,000	-	-	7,000
Due to other funds	598,395	-	-	598,395
Total liabilities	951,324	-	56,989	1,008,313
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	287,798	-	-	287,798
Total deferred inflows of resources	287,798	-	-	287,798
<u>Fund Balances</u>				
Restricted	-	-	108,652	108,652
Committed	-	1,328,456	30,214	1,358,670
Unassigned	1,359,420	-	-	1,359,420
Total fund balances	1,359,420	1,328,456	138,866	2,826,742
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,598,542	\$ 1,328,456	\$ 195,855	\$ 4,122,853

(continued on next page)

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

TOWN OF VOLUNTOWN, CONNECTICUT

**GOVERNMENTAL FUNDS
BALANCE SHEET
(CONTINUED)
JUNE 30, 2018**

Reconciliation of the Balance Sheet to the Statement of Net Position:

Amounts reported for governmental activities in the Statement of Net Position are different from the Governmental Fund Balance Sheet. The details of the difference are as follows:

Fund balances		\$ 2,826,742
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Capital assets	\$ 16,775,717	
Less accumulated depreciation	<u>(6,862,590)</u>	
		9,913,127
Other long-term assets are not available to pay for current period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables - accrual basis change		287,798
Long-term liabilities, including equipment financing, are not due and payable in the current period and, therefore, are not reported in the funds:		<u>(500,432)</u>
Net position		<u><u>\$ 12,527,235</u></u>

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

TOWN OF VOLUNTOWN, CONNECTICUT

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<u>Revenues</u>				
Property taxes	\$ 5,979,402	\$ -	\$ -	\$ 5,979,402
Intergovernmental	3,378,157	387,449	1,092,015	4,857,621
Charges for goods and services	79,344	-	46,622	125,966
Interest income	3,972	-	4	3,976
Other income	73,450	40,620	28,067	142,137
Total revenues	9,514,325	428,069	1,166,708	11,109,102
<u>Expenditures</u>				
Current:				
General government	615,687	-	-	615,687
Public safety	247,103	-	-	247,103
Public works	290,106	-	10,322	300,428
Health and welfare	27,733	-	-	27,733
Library services	69,493	-	-	69,493
Recreation	14,647	-	-	14,647
Insurance & bonds	190,864	-	-	190,864
Board of Education	7,708,886	-	482,796	8,191,682
Capital outlay	-	492,090	685,184	1,177,274
Total expenditures	9,164,519	492,090	1,178,302	10,834,911
Excess of revenues over (under) expenditures	349,806	(64,021)	(11,594)	274,191
<u>Other Financing Sources (Uses)</u>				
Transfers in	-	1,392,477	122,098	1,514,575
Transfers out	(1,076,999)	-	(437,576)	(1,514,575)
Total other financing sources (uses)	(1,076,999)	1,392,477	(315,478)	-
Net change in fund balances	(727,193)	1,328,456	(327,072)	274,191
Fund balances, beginning of year	2,086,613	-	465,938	2,552,551
Fund balances, end of year	\$ 1,359,420	\$ 1,328,456	\$ 138,866	\$ 2,826,742

(continued on next page)

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

TOWN OF VOLUNTOWN, CONNECTICUT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities:

Amounts reported in the Statement of Activities are different because:

Net change in fund balances	\$	274,191
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Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital outlay		93,750
Depreciation expense		(489,748)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the Statement of Activities:

Increase in property tax receivable - accrual basis change		77,573
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the Statement of Activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Debt payments		85,702
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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:

Compensated absences		3,111
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Change in net position	\$	44,579
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The notes to the financial statements are an integral part of this statement.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
<u>Revenues</u>					
Property taxes	\$ 5,854,084	\$ -	\$ 5,854,084	\$ 5,979,402	125,318
Intergovernmental	2,397,253	-	2,397,253	2,447,804	50,551
Interest income	200	-	200	3,972	3,772
Other income	152,000	-	152,000	152,794	794
Total revenues	8,403,537	-	8,403,537	8,583,972	180,435
<u>Expenditures</u>					
General government	590,313	-	590,313	608,358	(18,045)
Public safety	274,751	-	274,751	247,103	27,648
Public works	277,972	-	277,972	290,106	(12,134)
Health & welfare	30,107	-	30,107	27,733	2,374
Library services	70,000	-	70,000	69,493	507
Recreation	13,000	-	13,000	14,647	(1,647)
Insurance & bonds	223,240	-	223,240	190,864	32,376
Education	6,785,654	-	6,785,654	6,785,533	121
Transfers out	138,500	877,000	1,015,500	1,049,039	(33,539)
Total expenditures	8,403,537	877,000	9,280,537	9,282,876	(2,339)
Excess of revenues over (under) expenditures	\$ -	\$ (877,000)	\$ (877,000)	(698,904)	\$ 178,096
Fund balances, beginning of year				2,069,524	
Fund balances, end of year				\$ 1,370,620	

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

TOWN OF VOLUNTOWN, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018

	<u>Agency Fund</u> <u>Student</u> <u>Activity</u> <u>Fund</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 11,829
<u>Liabilities</u>	
Due to student groups	\$ 11,829

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

TOWN OF VOLUNTOWN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

Note 1 – Summary of Significant Accounting Policies

The Town of Voluntown, Connecticut (the “Town”) is a municipal corporation governed by a selectmen-town meeting form of government. Under this form of government, the town meeting is the legislative body. A town meeting is required to make appropriations, levy taxes, and borrow money. The administrative branch is led by an elected three-member Board of Selectmen. The Selectmen oversee most of the activities not assigned specifically to another body. An elected Board of Education oversees the public school system.

The accounting policies conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies.

Reporting Entity

The financial reporting entity consist of: 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the financial reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in this reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency, and financial accountability. The criterion has been considered and there are no agencies or entities which should be presented with the Town.

Government-Wide 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 primary government as a whole. For the most part, the effects of interfund activity have been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (if any), which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. 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 requirement of a particular function or segment, and 3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues.

Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with nonmajor funds aggregated and presented in a single column. The Town maintains fiduciary funds which are reported by type.

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

The Town's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Governmental Funds – Governmental funds are those through which most general government functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds.

The following are the Town's major governmental funds:

General Fund – the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund.

Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

The Town also reports the following non-major governmental funds:

Special Revenue Funds – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purpose other than debt service or capital projects. The nonmajor Special Revenue Funds of the Town are:

Special Education Grants Fund – used to account for and report the proceeds of State and Federal grants that are restricted to expenditures for education.

School Lunch Fund – used to account for and report the proceeds of State and Federal grants and fees that are restricted or assigned to expenditures for the school lunch program.

Dog Fund – used to administer dog licenses and related costs.

Recreation Commission Fund – used to account for recreation programs.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

The Town maintains a nonmajor capital projects fund as needed for the Housing Authority grant activity. All other funds were closed or moved to other funds during the current fiscal year.

The following is the Town's permanent fund:

Trust Fund – used to account for and report the proceeds of donations and interest that are restricted to expenditures for education.

Fiduciary Funds (not included in the government-wide financial statements) – The Fiduciary Funds are used to account for assets held by the Town in an agency capacity on behalf of others. The Agency Funds are primarily utilized to account for monies held as custodian for outside groups.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The Agency Funds have no measurement focus but utilize the accrual basis of accounting. 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.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Property taxes and certain other revenues are considered to be available if collected within 60 days of the fiscal year end. Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures, when applicable, related to early retirement incentives, compensated absences, capital leases, other post employment benefit obligations, certain pension obligations, and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Cash and Cash Equivalents

Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts, certificates of deposit, and money market funds.

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Town deposits may not be returned to it. The Town's policy for custodial credit risk is to allow the Town to use banks that are in the State of Connecticut. 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 Town's policy for custodial credit risk is to invest in obligations allowable under the Connecticut General Statutes as described previously.

Credit Risk – Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under the Connecticut General Statutes.

Concentration of Credit Risk – Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital of any one depository.

Taxes Receivables

Property taxes are assessed on property values as of October 1st. The tax levy is divided into two billings; the following July 1st and January 1st. This is used to finance the fiscal year from the first billing (July 1st) to June 30th of the following year. The billings are considered due on those dates; however, the actual due date is based on a period ending 31 days after the tax bill. On these dates (August 1st and February 1st), the bill becomes delinquent at which time the applicable property is subject to lien, and penalties and interest are assessed.

Under State Statutes, the Town has the right to impose a lien on a taxpayer if any personal property tax, other than a motor vehicle tax, due to the Town is not paid within the time limited by any local charter or ordinance. The lien shall be effective for a period of 15 years from the date of filing unless discharged. A notice of tax lien shall not be effective if filed more than two years from the date of assessment for the taxes claimed to be due. The Town establishes allowances for uncollectible taxes and interest based on historical collection experience and other factors. As of June 30, 2018, the Town has established an allowance for uncollectible taxes and interest of \$11,200.

Other Receivables

Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Interfund Receivables, Payables, and Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans).

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., 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 \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Intangible assets lack physical substance, are nonfinancial in nature, and useful life extends beyond a single reporting period. These are reported at historical cost if identifiable. Intangible assets with no legal, contractual, regulatory, technological, or other factors limiting their useful life are considered to have an indefinite useful life and are not amortized.

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

Land and construction-in-progress are not depreciated. Property, plant, and equipment of the Town are depreciated or amortized using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	40-50
Building improvements	20
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

Unearned Revenue

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.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has no items that qualify for reporting in this category.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Deferred inflows of resources represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The unavailable revenues from property taxes are reported in the governmental funds Balance Sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

Employees are paid by prescribed formula for absence due to vacation or sickness. Vacation pay is generally not available beyond the fiscal year it is earned. Unused sick leave may be accumulated to be used for future absences or is payable upon termination. 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 governmental funds only for amounts expected to be paid with available resources, for example, as a result of employee resignations and retirements.

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. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the governmental fund financial statements, bond premiums and discounts are expensed during the current period. The face amount of the 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.

Net Position and Fund Balance

In the government-wide financial statements, net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes net investment in capital assets and restricted net position. The balance is classified as unrestricted.

Fund balance in the governmental funds Balance Sheet represents the difference between current assets, current liabilities, and deferred outflows/inflows of resources. Governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The fund balance classifications are as follows:

Nonspendable – fund balance amounts that cannot be spent because they are either not spendable form (inventories, prepaids, and long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Restricted – fund balance amounts to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments, or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in the State of Connecticut Statutes.

Committed – fund balance amounts that can be used only for specific purposes determined by a formal action of the Town’s highest level of decision-making authority, which is a motion at a Town Meeting. These funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the entity's governing boards.

Assigned – fund balance amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. Currently, this is done by the Board of Selectmen. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted, or committed fund balance amounts.

Unassigned – fund balance amounts not classified as nonspendable, restricted, committed, or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Other governmental funds might have a negative unassigned fund balance as a result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the Town considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

Use of 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, liabilities, and deferred inflows/outflows, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Budget and Budgetary Accounting

General Fund

A formal, legally approved, annual budget is adopted for the General Fund only. This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions:

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

- Teachers' Retirement – The Town does not recognize as income or expenditures payments made for the teachers' retirement by the State of Connecticut on the Town's behalf in its budget. The Governmental Accounting Standards Board's Statement 68 requires that the employer government recognize payments for salaries and fringe benefits paid on behalf of its employees, which was \$930,353 for the fiscal year ended June 30, 2018.

The Board of Education and Town departments submit requests for appropriations to the Board of Selectmen. The budget is prepared by function and activity, and includes information on the past year, current year estimates, and requested appropriations of the next fiscal year.

The Board of Selectmen hold a public hearing at which itemized estimates of the expenditures of the Town for the next fiscal year are presented. The Board of Selectmen then considers the estimates and any other matters brought to their attention at a public meeting held subsequent to the public hearing.

The Board of Selectmen's estimated and recommended budget reports are submitted at the Annual Town Meeting. The Annual Town Meeting takes action on this budget. After the Annual Town Meeting, the Board of Selectmen meets to levy a tax on the grand list which will be sufficient to cover, together with other income or revenue surplus which is appropriated, the amounts appropriated and any revenue deficit of the Town.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level except expenditures for education, which are, by State Statutes, appropriated as one department.

The governing body may amend the annual budget subject to the requirements of the Connecticut General Statutes. The Board of Selectmen may make a one-time additional appropriation up to \$20,000 to any appropriations. A Town Meeting must be called to make appropriations over \$20,000 or additional changes to previously adjusted appropriations.

As explained above, the Town's budgetary fund structure accounts for certain transactions differently from that utilized in reporting in conformity with GAAP. A reconciliation of revenues, expenditures, and fund balance of the General Fund between the accounting treatment required by GAAP and budgetary requirements is as follows:

	<u>Fund Balance</u> <u>Beginning</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing</u> <u>Sources (Uses)</u>	<u>Fund Balance</u> <u>Ending</u>
GAAP basis	\$ 2,086,613	\$ 9,514,325	\$ (9,164,519)	\$(1,076,999)	\$ 1,359,420
Special Activities – GASB 54 reclassification and adjustment	(28,289)	-	-	28,289	-
Allowance for uncollectibles	11,200	-	-	-	11,200
Reclassifications	-	-	(1,048,710)	1,048,710	-
State Teachers' retirement on behalf payments	<u>-</u>	<u>(930,353)</u>	<u>930,353</u>	<u>-</u>	<u>-</u>
Budgetary basis	<u>\$ 2,069,524</u>	<u>\$ 8,583,972</u>	<u>\$ (9,282,876)</u>	<u>\$ -</u>	<u>\$ 1,370,620</u>

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Special Revenue Funds

The Town does not have legally adopted annual budgets for the Special Revenue Funds. Budgets for the various Special Revenue Funds, which are utilized to account for specific grant programs, are established in accordance with the requirements of the grantor agencies. Such budgets carry over until completion of the grants.

Capital Project Funds

Legal authorization for expenditures of the Capital Project Funds is provided by Town ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

Note 3 – Cash and Cash Equivalents

Cash and cash equivalents of the Town consist of the following at June 30, 2018:

Governmental Funds	
Cash and cash equivalents	\$ 3,171,471
Fiduciary Funds	
Cash and cash equivalents	<u>11,829</u>
Total cash and cash equivalents	<u>\$ 3,183,300</u>

Custodial Credit Risk on Deposits

As of June 30, 2018, the bank balance of the deposits was \$3,399,762 and was exposed to custodial credit risk as follows:

Covered by Federal Depository Insurance	\$ 274,938
Uninsured and collateralized	409,852
Uninsured and uncollateralized	<u>2,714,972</u>
	<u>\$ 3,399,762</u>

Note 4 – Receivables

Receivables at June 30, 2018, including the applicable allowances for collection losses, are as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Property taxes	\$ 334,535	\$ -	\$ 334,535
Accounts receivable	<u>21,507</u>	<u>8,145</u>	<u>29,652</u>
Total gross receivables	356,042	8,145	364,187
Allowance for collection losses	<u>(11,200)</u>	<u>-</u>	<u>(11,200)</u>
Total net receivables	<u>\$ 344,842</u>	<u>\$ 8,145</u>	<u>\$ 352,987</u>

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Note 5 – Capital Assets

Changes in the Town's capital assets used in the governmental activities are as follows:

	<u>Balance at</u> <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at</u> <u>June 30, 2018</u>
Capital assets not being depreciated:				
Land	\$ 327,550	\$ -	\$ -	\$ 327,550
Construction in process	<u>54,131</u>	<u>20,293</u>	<u>-</u>	<u>74,424</u>
Total capital assets not being depreciated	<u>381,681</u>	<u>20,293</u>	<u>-</u>	<u>401,974</u>
Capital assets being depreciated:				
Buildings and improvements	10,960,267	7,786	-	10,968,053
Machinery and equipment	2,029,829	65,671	-	2,095,500
Infrastructure	<u>3,310,190</u>	<u>-</u>	<u>-</u>	<u>3,310,190</u>
Total capital assets being depreciated	<u>16,300,286</u>	<u>73,457</u>	<u>-</u>	<u>16,373,743</u>
Less accumulated depreciation:				
Buildings and improvements	4,874,459	239,378	-	5,113,837
Machinery and equipment	1,072,243	181,153	-	1,253,396
Infrastructure	<u>426,140</u>	<u>69,217</u>	<u>-</u>	<u>495,357</u>
Total accumulated depreciation	<u>6,372,842</u>	<u>489,748</u>	<u>-</u>	<u>6,862,590</u>
Total depreciable capital assets, net	<u>9,927,444</u>	<u>(416,291)</u>	<u>-</u>	<u>9,511,153</u>
Capital assets, net	<u>\$ 10,309,125</u>	<u>\$ (395,998)</u>	<u>\$ -</u>	<u>\$ 9,913,127</u>

Depreciation and amortization expense were charged to functions/programs of the governmental activities as follows:

General government	\$ 16,776
Public safety	18,164
Public works	117,488
Education	<u>337,320</u>
Total depreciation expense	<u>\$ 489,748</u>

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Note 6 – Long-Term Obligations

The following table summarizes changes in the Town's long-term indebtedness for the year ending June 30, 2018:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Equipment note payable	\$ 264,057	\$ -	\$ (85,702)	\$ 178,355	\$ 87,998
Compensated absences	325,188	-	(3,111)	322,077	-
	<u>\$ 589,245</u>	<u>\$ -</u>	<u>\$ (88,813)</u>	<u>\$ 500,432</u>	<u>\$ 87,998</u>

Equipment Notes Payable

In July 2016, the Town entered into an equipment financing agreement for the purchase of school buses for \$440,300. The note is payable in five equal annual installments of \$92,779, including interest at 2.68%.

During the fiscal year ended June 30, 2018, the Town executed two agreements to finance a portion of its public works equipment, which will not be delivered until after June 30, 2018. Therefore, no proceeds have been received and no amounts are currently outstanding. The note amounts are planned to total \$153,088 and are planned to mature serially from July 2018 to July 2022 with annual payments of principal and interest of \$32,959 at an annual interest rate of 3.66%.

The annual debt service for the note payable and the new notes payable described above is as follows:

<u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 117,119	\$ 8,618	\$ 125,737
2020	120,207	5,530	125,737
2021	30,598	2,360	32,958
2022	31,366	1,593	32,959
2023	<u>32,153</u>	<u>-</u>	<u>32,153</u>
	<u>\$ 331,443</u>	<u>\$ 18,101</u>	<u>\$ 349,544</u>

Bond Authorized and Unissued

At June 30, 2018, there were no authorized and unissued bonds.

Statutory Debt Limitation

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal, and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2018.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Note 7 – Fund Balances

As discussed in Note 1, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These are summarized below:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<i><u>Restricted</u></i>				
Education	\$ -	\$ -	\$ 108,652	\$ 108,652
	<u>-</u>	<u>-</u>	<u>108,652</u>	<u>108,652</u>
<i><u>Committed:</u></i>				
Capital projects	-	1,328,456	-	1,328,456
Recreation	-	-	10,165	10,165
General government	-	-	20,049	20,049
	<u>-</u>	<u>1,328,456</u>	<u>30,214</u>	<u>1,358,670</u>
<i><u>Unassigned</u></i>	<u>1,359,420</u>	<u>-</u>	<u>-</u>	<u>1,359,420</u>
	<u>\$ 1,359,420</u>	<u>\$ 1,328,456</u>	<u>\$ 138,866</u>	<u>\$ 2,826,742</u>

Note 8 – Interfund Receivables/Payables and Transfers

Interfund receivables and payables that resulted from various interfund transactions as of June 30, 2018, are as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 598,395	\$ -
Capital Projects Fund	-	588,230
Nonmajor Governmental Funds	<u>-</u>	<u>10,165</u>
Total	<u>\$ 598,395</u>	<u>\$ 598,395</u>

Interfund transfers are generally used to supplement revenues to other funds. The transfers that occurred during the year ended June 30, 2018, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 1,514,575
Capital Projects Fund	1,392,477	-
Nonmajor Governmental Funds	<u>122,098</u>	<u>-</u>
Total	<u>\$ 1,514,575</u>	<u>\$ 1,514,575</u>

Note 9 – Employee Retirement Systems and Pension Plans

Connecticut Teachers' Retirement System

Description of System

Teachers within the Town's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board. This Connecticut State Teachers' Retirement System (the "System") is a cost sharing multiple employer defined benefit pension system with a special funding situation. As such, the Town does not have a liability related to participants in the System.

The System is considered a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained at www.ct.gov.

The System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the System is restricted to certified staff employed in the public schools of Connecticut and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the System is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement System (TIAA-CREF).

Benefits Provided

The benefits provided to participants by the System are as follows:

Normal Benefit: A member 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 is eligible for vested benefits of 2% of average annual salary times years of credited service (maximum benefit is 75% of average annual salary.)

Early Retirement: A member with 25 years of Credited Service, including at least 20 years of Connecticut public school service, or age 55 with 20 years of Credited Service including 15 years of Connecticut service. The early retirement factors currently in effect are 6% per year for the first five years by which early retirement precedes the minimum normal retirement age and 4% per year for the next five years by which early retirement precedes the minimum normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% for each year by which early retirement precedes the minimum retirement age.

Prorated Benefit: A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2% less 0.1% for each year less than 20 years of average annual salary times years of credited service.

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

Contribution Requirements

The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Participants are required to contribute 7.25% (8.25% effective January 1, 2018) of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2017/2018 school year, \$180,874 mandatory contributions were deducted from the salaries of teachers who were participants of the System during that school year. The covered payroll for the Town is \$2,303,593. The Town had 35 active participants in the System at June 30, 2018.

Employers are not required to make contributions to the System. The Town makes no contribution to the plan.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following key actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 Percent
Salary increases, including inflation	3.25-6.50 Percent
Long-term investment rate of return, net of pension investment expense, including inflation	8.00 Percent

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 – June 30, 2015.

The long-term expected rate of return on pension investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension 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 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (non-U.S.)	9.0%	8.3%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Core fixed income	7.0%	1.3%
High yield bonds	5.0%	3.9%
Emerging market bond	5.0%	3.7%
Inflation linked bond fund	3.0%	1.0%
Cash	<u>6.0%</u>	0.4%
Total	<u>100.0%</u>	

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

Discount Rate

The discount rate used to measure the total pension liability was 8.00 percent. 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 Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability of the System, calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate.

	<u>1% Decrease</u> <u>(7.00%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(8.00%)</u>	<u>1% Increase</u> <u>(9.00%)</u>
Sensitivity of the system's proportionate share of the net pension liability related to the Town	\$ 9,417,870	\$ 7,524,033	\$ 5,922,912

Pension Liabilities, Pension Expense, and Deferred Inflows/Outflows of Resources

The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the net pension liability that was associated with the Town was \$7,524,033 and 100% of the collective net pension liability is allocated to the State.

June 30, 2016, is the actuarial valuation date upon which the total pension liability is based. The total pension liability is determined as of June 30, 2017, using standard roll forward techniques. The roll forward calculation adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year and then applies the expected investment rate of return for the year. The procedure was used to determine the System's total pension liability as of June 30, 2017, which is the measurement date.

The Town recognized the total pension expense associated with the Town as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the Town. For the fiscal year ended June 30, 2018, the Town recognized \$930,353 as the amount expended by the State on behalf of the Town to meet the State's funding requirements. The amount recognized has been estimated using the latest available information provided by the State.

Defined Contribution Plan

The Town and Board of Education provides retirement benefits through a single-employer defined contribution pension plan for all eligible employees except certified personnel of the Board of Education who are covered by the State of Connecticut Teachers' Retirement System. The Boards of Selectmen and Education have oversight and fiduciary responsibility for the plan.

All eligible employees who have completed one year of service with a minimum of 1,000 hours during the year and who have reached age 21 are eligible for inclusion in the plan. The plan provides that benefits 100% vested at all times with respect to all of the amounts allocated to employees accounts. The Town contributes an amount equal to 4% of each eligible employee's base compensation. During the year, the Town's contributions totaled \$41,485.

Note 10 – Contingent Liabilities

Litigation

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

Grants

The Town participates in various Federal and State grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

Note 11 – Risk Management

The Town is exposed to various risks of loss involving torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the Town carries commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

The Town currently is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk pool established under the provisions of Connecticut General Statutes Section 7-479a et. seq. for some of its insurance. The Town is liable only for contributions to the pool. Members do not retain the risk of loss, as they have transferred the risk by purchasing coverage with no deductible retention. A separate agreement states limits on the member's obligation to pay indemnification obligations and expenses should CIRMA be unable to do so.

Note 12 – Jointly Governed Organizations

The Town is a participant in the Town of Voluntown/Town of Sterling Transfer Station. The purpose of the entity is to provide a transfer station for municipal waste for the citizens of both towns. The Board of Commissioners consists of two electors from each town and the First Selectman of either town in alternating years. The Town expended \$48,811 for the operation of the Transfer Station for the year ended June 30, 2018.

Note 13 – Recently Issued Accounting Standards

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement which (1) establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs, (2) requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred, and (3) requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2018. The Town does not expect this statement to have a material effect on its financial statements.

In April 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2018. The Town does not expect this statement to have a material effect on its financial statements.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2019. The Town has not yet determined the impact that this statement might have on its financial statements.

Town of Voluntown, Connecticut
Notes to Financial Statements
June 30, 2018 (continued)

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020. The Town has not yet determined the impact that this statement might have on its financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of the capital asset. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020. The Town does not expect the impact of this statement will be material to its financial statements.

**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

TOWN OF VOLUNTOWN, CONNECTICUT

**CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>7,524,033</u>	<u>7,937,848</u>	<u>6,309,101</u>
Total	<u>\$ 7,524,033</u>	<u>\$ 7,937,848</u>	<u>\$ 6,309,101</u>
Town's covered-employee payroll	<u>\$ 2,303,593</u>	<u>\$ 2,226,021</u>	<u>\$ 2,211,393</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
System fiduciary net position as a percentage of the total pension liability	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>

Notes to Connecticut State Teacher's Retirement System

Method and assumptions used in calculations of actuarially determined contributions

The actuarially determined contributions in the schedule of employer contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date. The following actuarial methods and assumptions were used to determine the most recent contributions reported in that schedule.

Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Single equivalent amortization period	20.4 years
Asset valuation method	4-year smoothed market
Inflation	2.75 percent
Salary increase	3.25-6.50 percent, including inflation
Investment rate of return	8.00 percent, net of investment related expense

See accompanying Independent Auditors' Report.

**SUPPLEMENTAL
STATEMENTS AND SCHEDULES**

TOWN OF VOLUNTOWN, CONNECTICUT

GENERAL FUND
SPECIAL ACTIVITIES - BALANCE SHEET
JUNE 30, 2018

	Tricentennial Fund	Wylie Schoolhouse Maintenance Fund	Historic Document Grant	Snow Removal Fund
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ -
<u>Liabilities</u>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
<u>Fund Balances</u>				
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ -

Note to Schedule

The above Special Activities were included in the General Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances and were closed or moved to other funds, effective July 1, 2017.

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SPECIAL ACTIVITIES - BALANCE SHEET
(CONTINUED)
JUNE 30, 2018**

	Public Library Grants	Library Addition Fund	Voluntown Dog Fund	Total
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ -
<u>Liabilities</u>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
<u>Fund Balances</u>				
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ -

Note to Schedule

The above Special Activities were included in the General Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances and were closed or moved to other funds, effective July 1, 2017.

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SPECIAL ACTIVITIES - STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018**

	Tricentennial Fund	Wylie Schoolhouse Maintenance Fund	Historic Document Grant	Snow Removal Fund
<u>Revenues</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Local	-	-	-	-
Total revenues	-	-	-	-
<u>Expenditures</u>				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	-	-	-
<u>Other Financings Sources (Uses)</u>				
Transfers in	-	-	-	-
Transfers out	(9,000)	(1,811)	(479)	(3,395)
Total other financing sources (uses)	(9,000)	(1,811)	(479)	(3,395)
Net change in fund balances	(9,000)	(1,811)	(479)	(3,395)
Fund balances, beginning of year	9,000	1,811	479	3,395
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

Note to Schedule

The above Special Activities were included in the General Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances and were closed or moved to other funds, effective July 1, 2017.

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SPECIAL ACTIVITIES - STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Public Library Grants	Library Addition Fund	Voluntown Dog Fund	Total
<u>Revenues</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Local	-	-	-	-
Total revenues	-	-	-	-
<u>Expenditures</u>				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	-	-	-
<u>Other Financings Sources (Uses)</u>				
Transfers in	-	8,000	-	8,000
Transfers out	(1,817)	-	(19,787)	(36,289)
Total other financing sources (uses)	(1,817)	8,000	(19,787)	(28,289)
Net change in fund balances	(1,817)	8,000	(19,787)	(28,289)
Fund balances, beginning of year	1,817	(8,000)	19,787	28,289
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

Note to Schedule

The above Special Activities were included in the General Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances and were closed or moved to other funds, effective July 1, 2017.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
Tax Collector					
Property taxes	\$ 5,854,084	\$ -	\$ 5,854,084	\$ 5,979,402	\$ 125,318
	<u>5,854,084</u>	<u>-</u>	<u>5,854,084</u>	<u>5,979,402</u>	<u>125,318</u>
State of Connecticut - Education					
Education cost sharing	2,174,691	-	2,174,691	2,174,807	116
Special education	-	-	-	29,011	29,011
Adult education	7,590	-	7,590	8,109	519
Magnet school	-	-	-	6,500	6,500
	<u>2,182,281</u>	<u>-</u>	<u>2,182,281</u>	<u>2,218,427</u>	<u>36,146</u>
State of Connecticut - Municipal					
Pilot state property	98,340	-	98,340	98,340	-
Mashantucket Pequot grant	87,466	-	87,466	87,468	2
Grants for municipal projects	2,002	-	2,002	2,002	-
Municipal revenue sharing	27,164	-	27,164	27,164	-
Ag viability grant	-	-	-	6,700	6,700
Property tax relief-elderly veterans	-	-	-	3,465	3,465
Miscellaneous	-	-	-	4,238	4,238
	<u>214,972</u>	<u>-</u>	<u>214,972</u>	<u>229,377</u>	<u>14,405</u>
Other Income					
Permits & other	30,000	-	30,000	60,845	30,845
Conveyance tax	22,000	-	22,000	18,499	(3,501)
Miscellaneous	100,000	-	100,000	73,450	(26,550)
	<u>152,000</u>	<u>-</u>	<u>152,000</u>	<u>152,794</u>	<u>794</u>
Interest Income	200	-	200	3,972	3,772
Total revenues	<u>\$ 8,403,537</u>	<u>\$ -</u>	<u>\$ 8,403,537</u>	<u>\$ 8,583,972</u>	<u>\$ 180,435</u>

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
General Government					
Board of Selectmen					
First Selectman	\$ 29,701	\$ -	\$ 29,701	\$ 29,702	\$ (1)
Selectmen	11,220	-	11,220	11,220	-
Admin. Assistant/Fiscal Services	77,373	-	77,373	74,816	2,557
Auditor	28,000	-	28,000	24,620	3,380
Town Council/Litigation	25,000	-	25,000	32,751	(7,751)
Telephone/Internet	12,715	-	12,715	12,230	485
Electricity	7,500	-	7,500	5,432	2,068
Payroll Expense	5,320	-	5,320	5,548	(228)
Cleaning Service	2,750	-	2,750	5,460	(2,710)
General Fund Bookkeeping	1,800	-	1,800	1,150	650
Heat	4,650	-	4,650	3,768	882
Office Supplies	4,000	-	4,000	5,849	(1,849)
Fire Extinguishers	950	-	950	528	422
Reimbursable Expense	1,000	-	1,000	957	43
Telephone Expense	2,000	-	2,000	2,100	(100)
Water Monitoring	400	-	400	344	56
Professional Fees	6,000	-	6,000	20,118	(14,118)
Data Processing	38,186	-	38,186	46,463	(8,277)
Eastern CT Conservation	300	-	300	300	-
Memorial Day	1,500	-	1,500	1,500	-
Youth Services Bureau	7,000	-	7,000	7,000	-
FICA/Medicare	48,000	-	48,000	39,729	8,271
Miscellaneous	1,500	-	1,500	2,531	(1,031)
TVCAA	500	-	500	500	-
Council of Small Towns	725	-	725	725	-
Conference of CT Municipalities	1,600	-	1,600	1,542	58
NECCOG	3,529	-	3,529	4,111	(582)
Norwich State Probate Court	1,910	-	1,910	1,750	160
Norwich Chamber of Commerce	250	-	250	225	25
IRA - Town Contributions	22,000	-	22,000	17,861	4,139
	347,379	-	347,379	360,830	(13,451)
Tax Collector					
Tax Collector	33,979	-	33,979	37,486	(3,507)
Advertising	2,000	-	2,000	2,253	(253)
Postage	1,750	-	1,750	1,211	539
Office Supplies	150	-	150	487	(337)
Printing	6,000	-	6,000	6,928	(928)
Reimbursable Expense	300	-	300	25	275
	44,179	-	44,179	48,390	(4,211)

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
Tax Assessor					
Assessor	\$ 23,576	\$ -	\$ 23,576	\$ 22,669	\$ 907
Advertising	450	-	450	555	(105)
Postage	245	-	245	-	245
Office Supplies	300	-	300	924	(624)
Dues, Conferences, Education	250	-	250	-	250
Computer Lease/Web Hosting	1,700	-	1,700	5,840	(4,140)
Reimbursable Expense	150	-	150	76	74
Professional Fees	10,000	-	10,000	5,119	4,881
Service Contracts	10,000	-	10,000	6,755	3,245
Other Supplies	405	-	405	4,799	(4,394)
	<u>47,076</u>	<u>-</u>	<u>47,076</u>	<u>46,737</u>	<u>339</u>
Town Clerk's Office					
Town Clerk	43,850	-	43,850	44,727	(877)
Historical document grant	-	-	-	4,000	(4,000)
Computer/Lease Records	7,500	-	7,500	8,971	(1,471)
Restoration of Town Records	100	-	100	-	100
Vital Statistics	100	-	100	-	100
Town Reports	1,000	-	1,000	1,000	-
Legal Notices	1,000	-	1,000	603	397
Postage	600	-	600	-	600
Service Contracts & Repairs	3,000	-	3,000	3,451	(451)
Dues, Conferences, Meetings	1,500	-	1,500	1,739	(239)
Reimbursable Expense	200	-	200	190	10
Printing	390	-	390	-	390
Office Supplies	1,500	-	1,500	1,826	(326)
	<u>60,740</u>	<u>-</u>	<u>60,740</u>	<u>66,507</u>	<u>(5,767)</u>
Treasurer					
Treasurer	13,069	-	13,069	13,069	-
Assistant Treasurer	1,640	-	1,640	883	757
	<u>14,709</u>	<u>-</u>	<u>14,709</u>	<u>13,952</u>	<u>757</u>
Elderly Commission					
	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Municipal Agent for the Elderly					
	<u>6,240</u>	<u>-</u>	<u>6,240</u>	<u>6,866</u>	<u>(626)</u>
Zoning Board of Appeals					
	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>788</u>	<u>1,212</u>
Inland/Wetlands					
Inland/Wetlands Officer	10,500	-	10,500	8,715	1,785
Inland/Wetlands Expenses	4,000	-	4,000	2,328	1,672
	<u>14,500</u>	<u>-</u>	<u>14,500</u>	<u>11,043</u>	<u>3,457</u>

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
Public Works					
Salaries	\$ 144,597	\$ -	\$ 144,597	\$ 154,828	\$ (10,231)
Transfer Station	48,000	-	48,000	48,811	(811)
Cemetery Maintenance	2,500	-	2,500	2,800	(300)
Street Lights	13,000	-	13,000	13,399	(399)
Telephone	2,750	-	2,750	3,774	(1,024)
Rental of Equipment	12,500	-	12,500	4,620	7,880
Electricity	4,500	-	4,500	4,650	(150)
Uniforms	4,200	-	4,200	3,140	1,060
Truck Repairs/Maintenance	15,000	-	15,000	23,669	(8,669)
Equipment Repairs	4,000	-	4,000	1,866	2,134
Training	800	-	800	464	336
Security	1,000	-	1,000	938	62
Fuel & Gasoline	16,125	-	16,125	16,940	(815)
Oil & Lubricants	2,000	-	2,000	2,737	(737)
Tires	1,000	-	1,000	701	299
Highway Materials - Guard Posts	1,000	-	1,000	240	760
Signs, Traffic Control	500	-	500	591	(91)
Tree Warden	1,500	-	1,500	346	1,154
Small Tools & Equipment	2,500	-	2,500	5,592	(3,092)
Restroom	500	-	500	-	500
	<u>277,972</u>	<u>-</u>	<u>277,972</u>	<u>290,106</u>	<u>(12,134)</u>
Public Safety					
Public Safety Reimbursement Fund	32,000	-	32,000	18,147	13,853
Fire Marshall	6,304	-	6,304	6,273	31
Fire Marshall Expense/Clerical	3,250	-	3,250	2,612	638
Fire Protection	122,608	-	122,608	122,608	-
Beach security	10,780	-	10,780	9,475	1,305
Emergency Responders	99,809	-	99,809	87,988	11,821
	<u>274,751</u>	<u>-</u>	<u>274,751</u>	<u>247,103</u>	<u>27,648</u>
Voluntown Public Library	<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>69,493</u>	<u>507</u>
Planning & Zoning	<u>9,450</u>	<u>-</u>	<u>9,450</u>	<u>13,772</u>	<u>(4,322)</u>
Building Official					
Building Official/Zoning Officer	15,810	-	15,810	15,810	-
Professional Fees	900	-	900	794	106
Dues, Conferences, Education	2,200	-	2,200	349	1,851
Reimbursable Expenses	200	-	200	-	200
Telephone	600	-	600	600	-
Printing	50	-	50	9	41
Office supplies	900	-	900	745	155
	<u>20,660</u>	<u>-</u>	<u>20,660</u>	<u>18,307</u>	<u>2,353</u>

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
Economic Development Commission					
Secretary	\$ 600	\$ -	\$ 600	\$ 283	\$ 317
Business directory	1,000	-	1,000	895	105
99 Main Internet	300	-	300	243	57
Supplies	100	-	100	-	100
Dues, Conferences, Education	500	-	500	170	330
CT Trust for Historic Preservation	-	-	-	100	(100)
Tourism Promotion/Workshops/Ads	1,250	-	1,250	1,150	100
Farmer's Market Expenses	8,570	-	8,570	9,045	(475)
	12,320	-	12,320	11,886	434
Recreation Commission					
Portable Toilet Rental	1,200	-	1,200	1,506	(306)
Equipment & repairs	4,600	-	4,600	8,014	(3,414)
Parking Lot Rental - Beach	1,000	-	1,000	1,000	-
Beach Maintenance - Supplies	400	-	400	7	393
Ice Skating Rink	800	-	800	-	800
Basketball Program	1,000	-	1,000	-	1,000
Field Maintenance - Fertilizer	1,500	-	1,500	936	564
Playground Maint. - Wood Chips	1,000	-	1,000	-	1,000
Community Programs/Activities	1,000	-	1,000	3,085	(2,085)
Miscellaneous Supplies	500	-	500	99	401
	13,000	-	13,000	14,647	(1,647)
Registrars of Voters/Elections					
Salaries	9,000	-	9,000	10,358	(1,358)
Legal Notices	1,500	-	1,500	1,267	233
Printing - Ballots	1,600	-	1,600	787	813
Postage	400	-	400	-	400
Service Contracts & Repairs	1,000	-	1,000	1,943	(943)
Dues, Conferences, Education	2,300	-	2,300	616	1,684
Professional Fees	500	-	500	500	-
Miscellaneous	500	-	500	591	(91)
	16,800	-	16,800	16,062	738

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Transfers	Final		
Insurance & Bonds					
Liability & Property Insurance	\$ 34,276	\$ -	\$ 34,276	\$ 40,065	\$ (5,789)
Workmens Compensation	53,220	-	53,220	56,359	(3,139)
Bonds	500	-	500	960	(460)
Health/Dental/Life Insurance	135,244	-	135,244	93,480	41,764
	<u>223,240</u>	<u>-</u>	<u>223,240</u>	<u>190,864</u>	<u>32,376</u>
Public Health					
Department of Health	16,867	-	16,867	16,867	-
Public Health Nursing	3,000	-	3,000	-	3,000
	<u>19,867</u>	<u>-</u>	<u>19,867</u>	<u>16,867</u>	<u>3,000</u>
Board of Assessment Appeals	500	-	500	84	416
Transfer Out					
Dog Fund	8,000	-	8,000	8,000	-
Fire Equipment Fund	50,000	-	50,000	50,000	-
Capital Nonrecurring Fund	10,000	877,000	887,000	887,000	-
Capital Nonrecurring Fund-PW	15,000	-	15,000	15,000	-
Snow Removal Fund	50,000	-	50,000	50,000	-
Tricentennial Fund	500	-	500	500	-
Wylie School Historic Building	5,000	-	5,000	5,000	-
Transfer out - other	-	-	-	33,539	(33,539)
	<u>138,500</u>	<u>877,000</u>	<u>1,015,500</u>	<u>1,049,039</u>	<u>(33,539)</u>
Board of Education					
Regular Education	2,918,219	-	2,918,219	2,884,848	33,371
Special Education Program	1,504,850	-	1,504,850	1,513,499	(8,649)
Special Ed. Admin. Support Services	112,006	-	112,006	103,913	8,093
Guidance Services	55,386	-	55,386	55,141	245
Health Services	59,883	-	59,883	60,153	(270)
Psychological Services	44,300	-	44,300	67,313	(23,013)
Speech Path/Audiology Services	132,160	-	132,160	131,010	1,150
OT/PT Services	59,000	-	59,000	63,937	(4,937)
Improvement of Instruction	8,621	-	8,621	8,086	535
Instructional Staff Development	8,318	-	8,318	6,881	1,437
Library/Media Services	107,037	-	107,037	105,992	1,045
Instruction Related Technology	219,604	-	219,604	257,964	(38,360)
Board of Education	130,376	-	130,376	104,609	25,767
Superintendent's Office	173,416	-	173,416	172,173	1,243
Principal's Office	337,939	-	337,939	333,672	4,267
Fiscal Services	84,213	-	84,213	78,938	5,275
Operation & Maintenance	353,033	-	353,033	353,878	(845)
Transportation	328,869	-	328,869	342,413	(13,544)
Transportation Special Education	90,142	-	90,142	86,129	4,013
Food Services Operations	26,079	-	26,079	21,824	4,255
Extra-Curricular Activities	25,203	-	25,203	26,160	(957)
Community Service Operations	7,000	-	7,000	7,000	-
	<u>6,785,654</u>	<u>-</u>	<u>6,785,654</u>	<u>6,785,533</u>	<u>121</u>
Total expenditures	<u>\$ 8,403,537</u>	<u>\$ 877,000</u>	<u>\$ 9,280,537</u>	<u>\$ 9,282,876</u>	<u>\$ (2,339)</u>

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2018

	Special Revenue				Capital Projects	
	Special Education Grants Fund	School Lunch Fund	Dog Fund	Recreation Commission Fund	Capital Nonrecurring Fund	Town Garage Projects Fund
Assets						
Cash and cash equivalents	\$ 85,804	\$ 3,887	\$ 20,049	\$ -	\$ -	\$ -
Grants funds receivable	-	8,145	-	-	-	-
Due from other funds	-	-	-	10,165	-	-
Total assets	\$ 85,804	\$ 12,032	\$ 20,049	\$ 10,165	\$ -	\$ -
Liabilities						
Unearned revenue	\$ 56,989	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Total liabilities	56,989	-	-	-	-	-
Fund Balances						
Restricted	28,815	12,032	-	-	-	-
Committed	-	-	20,049	10,165	-	-
Total fund balances	28,815	12,032	20,049	10,165	-	-
Total liabilities and fund balances	\$ 85,804	\$ 12,032	\$ 20,049	\$ 10,165	\$ -	\$ -

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 (CONTINUED)
 JUNE 30, 2018

	Capital Projects			Permanent	Total Nonmajor Governmental Funds
	Methodist Church Project Fund	Town Roads Fund	Housing Authority Grant Fund	Fund Trust Fund	
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 67,805	\$ 177,545
Grant funds receivable	-	-	-	-	8,145
Due from other funds	-	-	-	-	10,165
Total assets	\$ -	\$ -	\$ -	\$ 67,805	\$ 195,855
<u>Liabilities</u>					
Unearned revenue	\$ -	\$ -	\$ -	\$ -	\$ 56,989
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	56,989
<u>Fund Balances</u>					
Restricted	-	-	-	67,805	108,652
Committed	-	-	-	-	30,214
Total fund balances	-	-	-	67,805	138,866
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ 67,805	\$ 195,855

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue				Capital Projects	
	Special Education Grants Fund	School Lunch Fund	Dog Fund	Recreation Commission Fund	Capital Nonrecurring Fund	Town Garage Projects Fund
Revenues						
Intergovernmental	\$ 366,388	\$ 40,443	\$ -	\$ -	\$ -	\$ -
Charges for goods & services	-	44,038	2,584	-	-	-
Interest income	-	-	-	-	-	-
Other income	25,333	-	-	2,734	-	-
Total revenues	391,721	84,481	2,584	2,734	-	-
Expenditures						
General government	-	-	10,322	-	-	-
Education	399,154	83,642	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	399,154	83,642	10,322	-	-	-
Excess of revenues over (under) expenditures	(7,433)	839	(7,738)	2,734	-	-
Other Financing Sources (Uses)						
Transfers in	14,000	-	27,787	-	-	74,424
Transfers out	-	-	-	-	(427,119)	-
Total other financing sources (uses)	14,000	-	27,787	-	(427,119)	74,424
Net change in fund balances	6,567	839	20,049	2,734	(427,119)	74,424
Fund balances, beginning of year	22,248	11,193	-	7,431	427,119	(74,424)
Fund balances, end of year	\$ 28,815	\$ 12,032	\$ 20,049	\$ 10,165	\$ -	\$ -

(continued on next page)

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Capital Projects</u>			<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Methodist Church Project Fund</u>	<u>Town Roads Fund</u>	<u>Housing Authority Grant Fund</u>	<u>Trust Fund</u>	
<u>Revenues</u>					
Intergovernmental	\$ -	\$ -	\$ 685,184	\$ -	\$ 1,092,015
Charges for goods & services	-	-	-	-	46,622
Interest income	-	-	-	4	4
Other income	-	-	-	-	28,067
Total revenues	-	-	685,184	4	1,166,708
<u>Expenditures</u>					
Public works	-	-	-	-	10,322
Education	-	-	-	-	482,796
Capital outlay	-	-	685,184	-	685,184
Total expenditures	-	-	685,184	-	1,178,302
Excess of revenues over (under) expenditures	-	-	-	4	(11,594)
<u>Other Financing Sources (Uses)</u>					
Transfers in	5,887	-	-	-	122,098
Transfers out	-	(10,457)	-	-	(437,576)
Total other financing sources (uses)	5,887	(10,457)	-	-	(315,478)
Net change in fund balances	5,887	(10,457)	-	4	(327,072)
Fund balances, beginning of year	(5,887)	10,457	-	67,801	465,938
Fund balances, end of year	\$ -	\$ -	\$ -	\$ 67,805	\$ 138,866

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT
STATEMENT OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES SECTION 7.374(b)
FOR THE YEAR ENDED JUNE 30, 2018

Total tax collection including interest and lien fees for the year ended June 30, 2017	\$ 5,672,979
Reimbursement for revenue loss on: Tax relief for the elderly (CGS 12-129d)	<u>-</u>
Base	<u><u>\$ 5,672,979</u></u>

	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 times base	\$ 12,764,203	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	25,528,406	-	-	-
3 3/4 times base	-	-	21,273,671	-	-
3 1/4 times base	-	-	-	18,437,182	-
3 times base	-	-	-	-	17,018,937
Total debt limitation	<u>12,764,203</u>	<u>25,528,406</u>	<u>21,273,671</u>	<u>18,437,182</u>	<u>17,018,937</u>
Indebtedness:					
Equipment financing	-	178,355	-	-	-
Total indebtedness	<u>-</u>	<u>178,355</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 12,764,203</u>	<u>\$ 25,350,051</u>	<u>\$ 21,273,671</u>	<u>\$ 18,437,182</u>	<u>\$ 17,018,937</u>

NOTE: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$ 39,710,853

See accompanying Independent Auditors' Report.

TOWN OF VOLUNTOWN, CONNECTICUT

**REPORT OF THE TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2018**

Grand List October 1,	Uncollected Taxes	New Levy	Lawful Corrections		Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2018
	July 1, 2017		Additions	Deductions		Taxes	Interest and Lien Fees	Total	
2016	\$ -	\$ 6,027,154	\$ 8,110	\$ 17,544	\$ 6,017,720	\$ 5,833,897	\$ 22,050	\$ 5,855,947	\$ 183,823
2015	109,027	-	22	2,493	106,556	77,353	17,119	94,472	29,203
2014	20,859	-	-	-	20,859	7,646	2,942	10,588	13,213
2013	13,705	-	-	-	13,705	27	1,432	1,459	13,678
2012	17,031	-	-	-	17,031	1,931	1,443	3,374	15,100
2011	17,848	-	-	-	17,848	1,999	1,843	3,842	15,849
2010	12,645	-	-	-	12,645	192	224	416	12,453
2009	8,700	-	-	-	8,700	257	347	604	8,443
2008	8,197	-	-	-	8,197	-	-	-	8,197
2007	7,562	-	-	-	7,562	-	-	-	7,562
2006	9,713	-	-	-	9,713	-	-	-	9,713
2005	7,945	-	-	-	7,945	-	-	-	7,945
2004	8,100	-	-	-	8,100	-	-	-	8,100
2003	602	-	-	-	602	-	-	-	602
2002	654	-	-	-	654	-	-	-	654
Total	\$ 242,588	\$ 6,027,154	\$ 8,132	\$ 20,037	\$ 6,257,837	\$ 5,923,302	\$ 47,400	\$ 5,970,702	\$ 334,535

See accompanying Independent Auditors' Report.