

TOWN OF POMFRET, CONNECTICUT
FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2016

TOWN OF POMFRET, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2016

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITORS' REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-10
<u>Exhibits</u> BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
1 Statement of Net Position	11
2 Statement of Activities	12
Governmental Funds:	
3 Balance Sheet	13
3a Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	14
4 Statement of Revenues, Expenditures and Changes in Fund Balances	15
4a Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Fiduciary Funds:	
5 Statement of Net Position	17
NOTES TO FINANCIAL STATEMENTS	18-42
REQUIRED SUPPLEMENTARY INFORMATION	
RSI-1 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	43-46
RSI-2a Schedule of Funding Progress – Other Post-Employment Benefits Trust Fund	47
RSI-2b Schedule of Employer Contributions – Other Post-Employment Benefits Trust Fund	48

TOWN OF POMFRET, CONNECTICUT
TABLE OF CONTENTS (Continued)
JUNE 30, 2016

<u>Statements</u>	OTHER SUPPLEMENTARY INFORMATION	<u>Page</u>
	Combining and Individual Fund Statements and Schedules:	
	Other Governmental Funds:	
1	Combining Balance Sheet	49
2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	50
	Special Revenue Funds:	
3	Combining Balance Sheet	51
4	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	52
	Capital Projects Funds:	
5	Combining Balance Sheet	53
6	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	54
	Permanent Funds	
7	Combining Balance Sheet	55
8	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	56
	Agency Funds	
9	Combining Statement of Net Position	57
	<u>Schedules</u>	
1	Report of the Property Tax Collector	58
	Capital Nonrecurring Fund:	
2	Statement of Changes in Fund Balance by Project	59-60
	Road and Bridge Projects Fund:	
3	Statement of Changes in Fund Balance by Project	61
	 INTERNAL CONTROLS AND COMPLIANCE REPORTS	
	Government Auditing Standards Report	62-63

TOWN OF POMFRET, CONNECTICUT
TABLE OF CONTENTS (Continued)
JUNE 30, 2016

	<u>Page</u>
STATE SINGLE AUDIT	
State Single Audit Report	64-65
Schedule of Expenditures of State Financial Assistance	66
Notes to the Schedule of Expenditures of State Financial Assistance	67-68

O'Connell, Pace, & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

FACSIMILE: (860) 549-1804
E-MAIL: oconnells@opccpa.com

609 FARMINGTON AVENUE
SUITE 201
HARTFORD, CT 06105-3063
(860) 247-3917

Walter F. O'Connell, C.P.A.
Mario Pace, C.P.A.
Albert Celentano, C.P.A.
William Clark, C.P.A., M.S.P.A.

INDEPENDENT AUDITORS' REPORT

To the Board of Finance
Town of Pomfret, 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 Pomfret, Connecticut (the "Town") as of and for the year ended June 30, 2016, 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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Pomfret, Connecticut, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, 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, budgetary comparison information and the Schedule of Funding Progress for Pensions and Other Post-Employment Benefits 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, which 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 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 combining and individual fund financial statements and schedules and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund financial statements and supplementary schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated February 13, 2017 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

O'Connell, Pace, + Company PC

O'CONNELL, PACE, & COMPANY, P.C.
Certified Public Accountants

February 13, 2017

TOWN OF POMFRET, CONNECTICUT
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016