

TOWN OF NORTH STONINGTON
ANNUAL REPORT
FOR
FISCAL YEAR
2018-2019



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Town of North Stonington Annual Report 2018-2019



The Connecticut General Statutes require that the Board of Finance create an Annual Report covering the previous fiscal year.

Information is solicited from each department that receives funding through the annual budget. The responses that were received are included in this report along with the financial statements related to the audit for that same period.

Attached are the reports that were received from each department in response to our request.

BOARD OF SELECTMEN

First Selectman: Michael Urgo

Contact: 860-535-2877 Ext. 110

Selectmen: Robert Carlson & Nita Kincaid

Administration & Finance Officer: Christine Dias

Contact: 860-535-2877 Ext. 119

The 2018-2019 fiscal year was an exciting one for the Town of North Stonington. This year we began with passage of our budget prior to the beginning of the fiscal year and state funding remained stable. We were proud to have worked closely with the Boards of Finance and Education to put together this fiscally responsible budget for the town. State Representative Diana Urban and State Senator Heather Sommers were helpful in securing much needed funding for our town, which helped us tremendously to keep the mil rate at a reasonable level with a very small tax increase necessary.

We have two major facility upgrades happening in town. This fiscal year our Center for Emergency Services opened and our emergency responders are settled into this state-of-the-art facility. The new Wheeler Middle School/High School is also complete. Grades 7-12 started in their new home on March 18th. These two major infrastructure improvements for the town we feel poised to be well situated for many years to come setting our emergency services personnel and teachers with state-of-the-art facilities that meet the needs of our community. Additionally, the movement of the emergency services to the new facility opened the opportunity for our recreation programming to find a new home in the old firehouse. This allowed us to sell the underutilized condominium owned by the town in Holly Green plaza. We now offer expanded programming and additional community space which had previously been lacking in town.



Our town added some staff due to retirements and reorganization for better efficiencies. Joe Rubino, a Sergeant in the Air National Guard with significant experience in civil engineering and equipment operation, has been hired as our new Assistant Highway Foreman. We have also used seasonal part-time Highway Department employees, Richard Waldron & Michael Williamson for the summer season to help with ground maintenance around town. Christine Dias has joined the Town Hall team in the new position of Administration and Finance Officer and comes to us with a master's degree in Public Administration, ten years of experience that includes budgeting, human resources and administration. Tax Collector Karen Joyal joined the team and comes to us with her master's degree in information technology and highway crew member Robert Chipman also came on board. Finally, former Selectman Mark Donahue was appointed as our Treasurer. Mark had served previously as a Selectman and also on the Board of Finance.

We worked hard at garnering feedback from our residents in the community on many fronts. A town-owned properties workshop was held to evaluate the properties the town owns and what uses might be appropriate for them. We had our first meeting with the newly formed capital projects workgroup at the end of July. This group, comprised of employees, volunteers, and board members, will work collaboratively to develop the capital plan for the town. The goal of this group is for everyone to work together as we prioritize large purchases for the town and to be strategic in both the short and long term. The group will be responsible for contributing to the budget process yearly regarding capital purchases.

Our highway crew has worked hard all summer on a multitude of projects including tree work, landscaping, building demolition, repairs to drainage and chip sealing on various roads throughout town. Old wooden guard rails throughout

North Stonington were replaced and are now much safer. The crew also completed painting and various tasks at our new Recreation building.

In September the town worked with SE CT Regional Resource Recovery Authority to service nearly 400 customers on Hazardous Waste Collection Day. This was a 28% increase over last year’s participation and a 46% increase over our 8 year average.

A 501(c)(3) Keeping North Stonington Affordable has been established by a group of citizens committed to making sure quality affordable housing is developed here in town. Along with our own Affordable Housing Committee we are now more likely to see development of much needed quality housing in town in the near future.

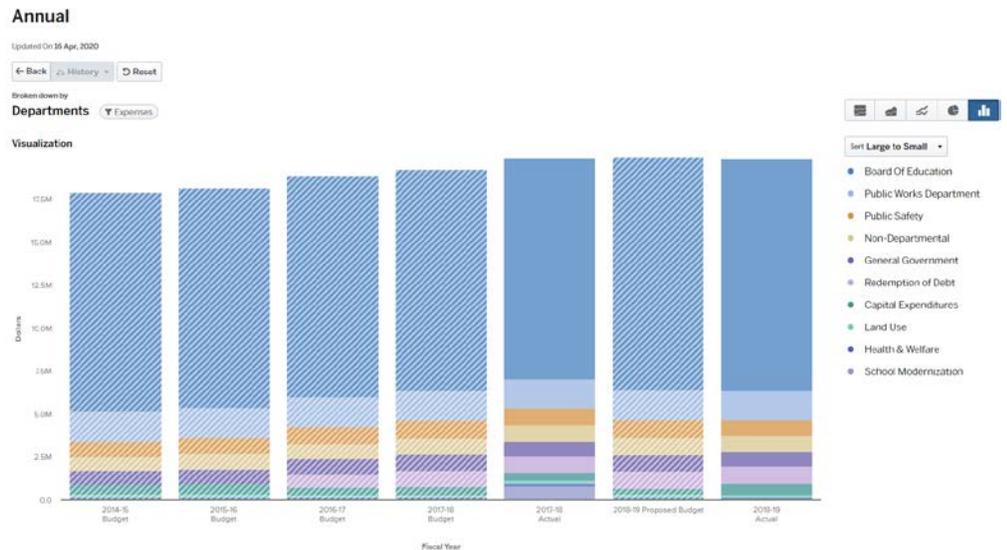
We have worked hard with property owners to get some dilapidated properties cleaned up throughout town including the old Gary’s restaurant and the 95 House which had stood abandoned for years. We also demolished the old Green Gables at Hewitt Farm as it was sadly in too bad of shape to repair. The new greenspace where Green Gables previously sat is a welcome addition to our community garden area at Hewitt Farm. We also set aside the necessary funding to repair Boom Bridge Road bridge which has been closed for 12 years. We are anticipating the repairs to this bridge in Spring 2020.

Economic Development in North Stonington is on the rise as we continued for a 3rd straight year to achieve the highest ranking in Connecticut growth according to the Department of Labor’s CT Town Economic Index. We have contracted help to make our sewer and water requirements for our Economic Development Zones a reality in the near future. We completed a study looking at the feasibility of having a water tower here in town. We have also begun our marketing initiative as we begin to cement our status as “The Heart of Southeastern Connecticut”.

In November of 2018 new State leadership began in Connecticut with a new Governor in Ned Lamont. Locally we also have new leadership in our State Representative for North Stonington in Kate Rotella who formally served as Selectwoman in Stonington. We also welcomed back Senator Heather Somers as our local Senator. We took delivery of a new ambulance, replacing the 1998 Ambulance from service. We continue to be extremely thankful for their dedication and service to our community.

This year we rolled out OpenGov software which provides unprecedented transparency into the town’s finances and helps us to be more efficient in future financial planning. See our website at www.northstoningtonct.gov for the details.

Finally we completed a strategic plan for the town which summarizes actions the town has taken related to our Plan of Conservation and Development. Check out the town website www.northstoningtonct.gov for details.



North Stonington’s stock is on the rise. For more information on how you can join our community reach out to us anytime at 860.535.2877 extension 10.

Mike Urgo
First Selectman

Nita Kincaid
Selectwoman

Bob Carlson
Selectman

BOARD OF FINANCE

Members: Daniel Spring, Chairman
Paul Simonds, Vice Chairman
Carolyn Howell, Secretary
Mustapha Ratib
Tim Main II
Michael Anderson
Candis Banks (Alternate)
Chris Hundt (Alternate)

The fiscal year of 2018-2019 commenced after a successful budget referendum with a mil rate of 28.2 being set to meet the adopted bud with an increase of 3.5% over the previous year. The mil rate was a modest increase from the 28 mil rate of 2017-2018. A comparison in this period to the mil rate of 14 other towns of similar size illustrated that North Stonington's mil rate was below the average of 28.96.

Notably, the budget reflected an increase in debt coverage to accommodate the Town's capital projects. In particular, the new middle-high school that was opened to students in March 2019. This project, as well as the modernization of the elementary school, is being financed with USDA at an annual interest rate of 2.75%. With favorable terms, this rate affords the Town a significant savings over the rate that was originally proposed at 3.3%

In all, the budget for the fiscal year 2018-2019 represented a policy statement meeting the operational needs of the Town and goals defined by the Town's Plan of Conservation and Development. The audit for this year's budget implementation was presented with positive assurance that prudent execution of the budget occurred while continuing to sustain the strong fiscal profile of the Town.

Respectfully submitted,
Dan Spring
Chairman, Board of Finance

ASSESSOR'S OFFICE

Tax Assessor: Darryl DelGrosso

Contact: 860-535-2877 Ext. 123

Administrative Assistant: Cecile McGrath

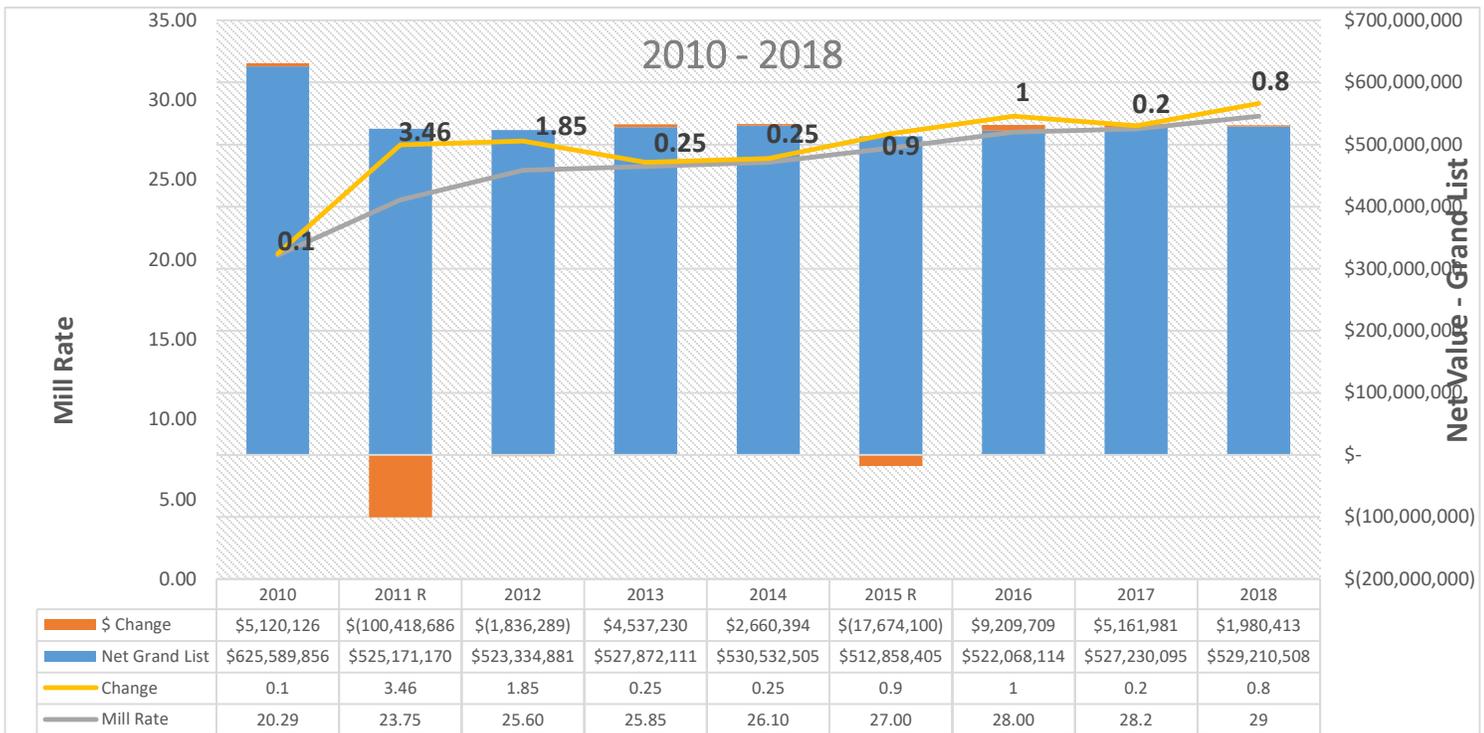
Contact: 860-535-2877 Ext. 124

Revaluation: The Town of North Stonington has selected eQuality Valuation to conduct the 2020 revaluation of all real estate within the town. The beginning steps to complete this job have started and inspections of all parcels will begin shortly. I am requesting that all property owners cooperate with the inspectors so the job can be completed and the resulting valuations will be as fair as possible.

Real Estate Sales: The Town recorded 90 sales from October 1, 2018 to September 30, 2019. The mean price or average price of all sales was \$252,725. The median price or middle point of all sales was \$219,000. The total value of all parcels sold within the above time period was \$22,745,222. The Town remains an affordable place to live with 15 home sales below \$200,000.

Veteran's with a service-connected disability will note on their July 2020 tax bill an increase in the veteran's exemption. The amount of increase was dependent on the percent of disability. Veteran's with a disability rating who have not notified the Town of their disability should file with the Assessor's Office so your exemption can be updated.

Change in Mill Rate and Net Value of the Grand List 2008-2018



Respectfully submitted,

Darryl L. Del Grosso C.C.M.A. II
Assessor

BOARD OF ASSESSMENT APPEALS

Members: Paula Woodward, Chairperson, Lisa Mazzella, Candy Palmer
Secretary to the Board: Cecile McGrath

The Board of Assessment Appeals met in March. Two appeals were heard on real estate and one on personal property.

The Board of Assessment Appeals met in September for appeals on motor vehicles only. Three appeals were heard

TAX COLLECTOR

Tax Collector: Karen Joyal

Contact: 860-535-2877 Ext. 120

The Tax Collector’s office is responsible for the administration and the collection of revenue in conformity with the Connecticut State Statutes, town ordinances, and established policy.

The percentage of the current adjusted tax levy (2017 Grand List) collected as of June 30, 2019, was 98.16%. The total collection rate including all taxes collected, current and prior years, interest and lien fees was 100.58%, \$87,849.40 more was collected than budgeted for total tax revenue.

The following is a breakdown of total collections for the fiscal year ending June 30, 2019:

FISCAL YEAR 2018/2019										
TOWN OF NORTH STONINGTON										
TAX COLLECTOR'S REPORT										
FOR YEAR TO DATE										
Grand List Year	Uncollected Taxes July 1, 2018	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2018
			Additions	Deductions			Taxes	Interest and Liens	Total	
2017		14,991,286.57	19,995.44	(43,402.11)	(619.78)	14,967,879.90	14,692,898.76	45,508.05	14,738,406.81	274,361.36
2016	196,730.96		208.68	(4,388.38)	(688.66)	196,730.96	91,094.68	23,847.46	114,942.14	100,767.92
2015	53,314.91		0.00	(79.92)	(591.88)	53,234.99	31,971.10	9,067.72	41,038.82	20,672.01
2014	16,614.47		0.00	0.00	(666.58)	16,614.47	5,616.35	3,014.37	8,630.72	10,331.54
2013	19,747.56		0.00	0.00	(750.58)	19,747.56	3,495.17	1,274.17	4,769.34	15,501.81
2012	8,543.30		0.00	0.00	0.00	8,543.30	559.10	535.58	1,094.68	7,984.20
2011	6,006.00		0.00	0.00	0.00	6,006.00	518.70	591.98	1,110.68	5,487.30
2010	7,314.65		0.00	0.00	0.00	7,314.65	724.36	947.56	1,671.92	6,590.29
2009	3,646.06		0.00	0.00	0.00	3,646.06	720.78	1,072.74	1,793.52	2,925.28
2008	2,146.77		0.00	0.00	0.00	2,146.77	711.86	1,187.89	1,899.75	1,434.91
2007	2,099.41		0.00	0.00	0.00	2,099.41	696.16	1,287.53	1,983.69	1,403.25
2006	1,843.64		0.00	0.00	0.00	1,843.64	664.02	1,348.72	2,012.74	1,179.62
2005	1,831.93		0.00	0.00	0.00	1,831.93	664.02	1,468.24	2,132.26	1,167.91
2004	748.62		0.00	0.00	0.00	748.62	203.70	503.71	707.41	544.92
2003	1,028.69		0.00	0.00	0.00	1,028.69	200.32	531.81	732.13	828.37
Total	321,616.97	14,991,286.57	20,204.12	-47,870.41	-3,317.48	15,289,416.95	14,830,739.08	92,187.53	14,922,926.61	451,180.69

Respectfully submitted,

Karen Joyal
 Tax Collector

TOWN CLERK

Town Clerk: Antoinette Pancaro, CMC, CCTC

Contact: 860-535-2877 Ext. 121

The Town Clerk’s Office handles a wide variety of tasks involving vital records, land records, licensing, elections, and records management. Birth, marriage, and death certificates are issued and filed in the office, as well as burial and cremation permits. Marriage licenses are issued for couples being married in North Stonington. The recording and indexing of land records, issuance of trade name certificates, and filing of maps, military discharges (DD-214s) and liquor permits are a significant portion of the Town Clerk’s job. The office registers Justices of the Peace and Notaries. The Town Clerk also has the important duty of issuing absentee ballots for elections, as well as compiling and keeping election records. Meeting agendas and minutes are filed in the office. The Town Clerk is responsible for maintaining the official record of ordinances, oaths of office, appointments, and petitions. Sporting licenses, such as hunting, fishing, and trapping licenses, can also be purchased in the Town Clerk’s Office and online at www.ct.gov/deep/hunting. These licenses may be purchased throughout the year and are valid for the calendar year only. The Town Clerk has Hunting & Trapping, Fishing, Boating, and Migratory Bird Guides available in the office. This information is also available online at www.ct.gov/deep/hunting. The Town Clerk issues dog and kennel licenses. These licenses expire June 30th, and a new license must be procured on or before June 30th or a penalty of \$1.00 per month will be imposed. The fee for an unaltered dog is \$19.00 and for a neutered or spayed dog is \$8.00. In order to obtain a dog license, a rabies vaccination certificate must be presented, as well as a neutering or spaying certificate, if applicable. The fee for a kennel license for a kennel with 10 dogs or less (10 kennel dog tags) is \$51.00 and for a kennel with 11 to 20 dogs (20 kennel dog tags) is \$102.00. A low-cost rabies clinic (\$15.00) was offered by Dr. Stephen Morrone on Saturday, June 1, 2019 between the hours of 10:00 A.M. to 12:00 P.M. at the Town Hall, 40 Main Street. The Town Clerk’s Office was open between those hours to register dogs. The business hours for the Town Clerk’s Office are 8:00 A.M. to 4:00 P.M., Monday through Friday, excluding holidays.

Republican Primary Results August 14, 2018

Governor	Mark Boughton Timothy M. Herbst Steve Obsitnik Bob Stefanowski David Stemerman	34 89 63 81 38
Lieutenant Governor	Joe Markley Jayme Stevenson Erin E. Stewart	134 67 93
United States Senator	Matthew Corey Dominic Rapini	217 58
Treasurer	Thad Gray Art Linares	134 153
Comptroller	Kurt Miller Mark Greenberg	131 146
Attorney General	Sue Hatfield John Shaban	225 63

**Democratic Primary Results
August 14, 2018**

Governor	Ned Lamont	278
	Joe Ganim	37
Lieutenant Governor	Susan Bysiewicz	224
	Eva Bermudez Zimmerman	86
State Representative	Kate Rotella	208
	Chris Donahue	111
Treasurer	Shawn Wooden	150
	Dita Bhargava	151
Attorney General	William Tong	181
	Paul R. Doyle	36
	Chris Mattei	88

**State Election Results
November 6, 2018**

Governor and Lieutenant Governor	Ned Lamont and Susan Bysiewicz (Democratic)	993
	Bob Stefanowski and Joe Markley (Republican)	1,333
	Ned Lamont and Susan Bysiewicz (Working Families)	28
	Bob Stefanowski and Joe Markley (Independent)	64
	Rodney Hanscomb and Jeffrey Thibeault (Libertarian)	12
	Mark Stewart Greenstein and John Demitrus (Amigo Constitution Liberty)	1
	Oz Griebel and Monte E. Frank (Griebel Frank for CT)	150
	Lee Whitnum and Jacey Wyatt (Write In)	0
United States Senator	Christopher S. Murphy (Democratic)	1,238
	Matthew Corey (Republican)	1,191
	Christopher S. Murphy (Working Families)	87
	Richard Lion (Libertarian)	27
	Jeff Russell (Green)	11
	Fred Linck (Write In)	0
	Kristi L. Talmadge (Write In)	0
Representative in Congress	Joe Courtney (Democratic)	1,380
	Danny Postemski, Jr. (Republican)	994
	Joe Courtney (Working Families)	116
	Daniel Reale (Libertarian)	24
	Michelle Louise Bicking (Green)	25
State Senator	Robert R. Statchen (Democratic)	967
	Heather Somers (Republican)	1,433
	Robert R. Statchen (Working Families)	49
	Heather Somers (Independent)	94
State Representative	Kate Rotella (Democratic)	1,132

	Shaun Mastroianni (Republican)	1,291
	Shaun Mastroianni (Independent)	79
Secretary of the State	Denise W. Merrill (Democratic)	1,109
	Susan Chapman (Republican)	1,215
	Denise W. Merrill (Working Families)	46
	Susan Chapman (Independent)	62
	Heather Lynn Sylvestre Gwynn (Libertarian)	39
	S. Michael DeRosa (Green)	21
Treasurer	Shawn Wooden (Democratic)	1,097
	Thad Gray (Republican)	1,213
	Shawn Wooden (Working Families)	52
	Thad Gray (Independent)	68
	Jesse Brohinsky (Libertarian)	40
	W. Michael Downes (Write In)	0
Comptroller	Kevin Lembo (Democratic)	1,081
	Kurt Miller (Republican)	1,225
	Kevin Lembo (Working Families)	52
	Kurt Miller (Independent)	58
	Paul Passarelli (Libertarian)	30
	Edward G. Heflin (Green)	23
Attorney General	William Tong (Democratic)	994
	Sue Hatfield (Republican)	1,367
	William Tong (Working Families)	35
	Sue Hatfield (Independent)	81
	Peter D. Goselin (Green)	31
Judge of Probate	Nicholas Kepple (Democratic)	1,289
	Salvatore Ritacco (Republican)	1,180
Registrar of Voters	Joan Kepler (Democratic)	1,180
	Gladys I. Chase (Republican)	1,268

**May 20, 2019
Referendum Results**

The May 6, 2019 Annual/Town Budget Meeting reconvened at 8:04 p.m. on Monday, May 20, 2019 following the Referendum. Shawn Murphy was elected Moderator. The results were read by the Referendum Moderator Julie Armstrong:

1. Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the Annual Budget including Board of Education, \$13,825,463, General Government Operating, \$5,067,915, Redemption of Debt, \$1,009,694 and Capital, \$572,716, for fiscal year July 1, 2019 through June 30, 2020, in the total amount of \$20,475,788, and make specific appropriations and authorize expenditures in connection therewith as appear advisable?

266 Yes

498 No

**Distribution Report
North Stonington Town Clerk
July 1, 2018 to June 30, 2019**

<u>DESCRIPTION</u>	<u>ACCOUNT TOTAL</u>
State Conveyance Tax	\$216,061.66
Dog License – Population Control Fund	\$ 1,230.00
Dog License – State	\$ 3,617.50
State Farm Fund	\$ 24,660.00
Marriage License – State	\$ 2,516.00
Sportsman License – State	\$ 4,651.00
State Restoration	\$ 5,480.00
State Treasurer – MERS	\$ 10,402.00
STATE TOTAL: \$268,618.16	
Town Conveyance Tax	\$ 67,693.90
Dog License – Town	\$ 542.50
Copies	\$ 11,379.25
Portal Online Copies	\$ 643.00
Marriage License – Town	\$ 1,184.00
Miscellaneous	\$ 305.00
Notary	\$ 220.00
Recordings – Legal Documents	\$ 23,502.00
Sportsman License – Town	\$ 107.00
Town Clerk Farm Fund	\$ 1,215.00
TOWN TOTAL: \$106,791.65	
LOCIP	\$ 2,055.00
Town Restoration	\$ 1,370.00
TOTAL: \$3,425.00	
<u>GRAND TOTAL: \$378,834.81</u>	

Respectfully submitted,

Antoinette Pancaro, CMC, CCTC
North Stonington Town Clerk

REGISTRAR OF VOTERS

Registrars: Gladys Chase, Republican
Joan Kepler, Democrat
Paula Kent, Deputy Democratic Registrar
Deborah Barnes, Deputy Republican Registrar

Contact: 860-535-2877 Ext. 113

Office hours: 9:00 a.m. to 11:30 p.m. Monday & Thursday.
Voice mail messages can be left the remainder of the week
Town Clerk accepts Voter Registration cards when Registrars are unavailable.

Registrars' Duties:

During working hours Registrars typically perform the following duties.

- Register new voters
- Delete deceased voters
- Make a variety of corrections and changes to the voter list including, but not limited to: active voters moving within town; moving into town and moving out of town; changes of Name, Party Registration, Contact Information, i.e., Phone Numbers, P.O. Box numbers, Street addresses, etc.
- Department of Motor Vehicles (DMV) updates Connecticut towns re: people who have registered vehicles in other towns or changed their existing town address.

The annual voter canvass is a procedure which takes place January 1st to May 1st. Registrars put information obtained from NCOA into a special Canvass Program. Other information is obtained through sale of houses, telephone or personal knowledge indicating a voter has moved. Letters are sent to voters for address change confirmations and responses are processed.

Registrars attend the following meetings & conferences:

- ROVAC Monthly New London County Meetings
- ROVAC State Conventions (2)
- State Training Class for Registrars and Moderators
- State Mandated Certification Classes (8) We have completed (8) to date.
- Connecticut IVS Accessible Voting System Class
- Attend Town Committee Monthly meetings and Town Committee Caucuses

Registrars held state-mandated limited registration sessions before the primary and general elections to allow residents to register &/or correct and update the voter list.

Registrars oversaw the following elections during the 2018/2019 Budget period:

Connecticut Primary Election: August 14, 2018

General Election: November 6, 2018

Budget Referendum: May 20, 2019

Budget Referendum: July 9, 2019

Registrars hired election officials, set up equipment to oversee elections and attended official town meetings to verify that voters are registered.

Poll worker election training sessions are held before each election to be sure new changes in election laws are implemented and review procedures.

The registrars are responsible for properly testing each tabulator to be sure that the ballots are printed correctly and can be accurately read by the tabulator.

Annual student registration sessions are held at the local high school.

Respectfully submitted,

Gladys I. Chase & Joan Kepler
Registrars of Voters

INFORMATION TECHNOLOGY/GIS

IT/GIS Manager: James Russell

Contact: 860-535-2877 Ext. 133

The IT/GIS Department is responsible for the management of Town Computer Software-Hardware, Project Coordination for Technological Initiatives, Management of the GIS System and GIS Map Production. This department supports all departments - boards and commissions in the Town of North Stonington.

Some of the projects completed in the 2018-2019 fiscal year were:

- **Purchased and installed new PC's for several members of our town hall staff.** The new PC's replaced aging systems and are all a part of the current PC Replacement Plan that I have created to get everyone on a PC that is less than five years old. The following were set up:
 - Building Official
 - Land Use Assistant
 - Recreation Director
 - Resident Trooper
 - (2) Public PC's at the Senior Center
- **Camera system for Town Hall Buildings.** Installed exterior cameras and interior cameras in high traffic areas for security and safety precautions. This will expand over time to add more cameras to needed areas.
- **Wireless system upgrades.** Installed upgraded wireless in both town hall buildings that will allow for seamless connection in both buildings. Replaced two separate systems.
- **Server upgrades.** Installed hard drives for more storage in both servers in town. Also installed more memory to allow for faster access to files and resources for town employees.
- **Recreation Center.** Set up recreation center for computer access. Had internet and phone installed. Also, set up new laptop for recreation director to use to have better access and ability complete every day work.

Upcoming projects for 2019-2020:

- **Replace Phone System in town hall.** Work to create RFP to replace the aging phone system in town.
- **Upgrade Employee PC's.** Part of five-year replacement program.
 - **Assessor Counter PC**
 - **Highway Foreman**
 - **Tax Assistant PC**
- **Build file server for Town Hall.** This will act as the central location for all department and user files.
- **Assessor copier replacement.** This is needed to handle printing needs for the revaluation process this year.
- **Digital signs for Center for Emergency Services.** These will be installed between the bay doors and will display the I Am Responding software. This will allow for quicker response times as all information will be viewable from the trucks.
- **Upgrade Firehouse software.** Upgrade to a cloud-based platform for data entry in the field. Looking into how much it will cost.

I look forward to further growing of our towns IT infrastructure and working with you all in the future.

Thank you,
James Russell
IT/GIS Manager

BOARD OF EDUCATION

Board of Education Members

Christine Wagner – Chair

Alex Karpinski – Vice Chair

Walt Mathwich – Secretary

Pamela Potemri

David McCord

Philip Mendolia

Darren Robert

Jennifer Welborn

Administration

Central Office

Peter L. Nero – Superintendent

Roberta McCarthy – Administrative Assistant

Deborah Martin – Business Manager

Elizabeth Mackela – Bookkeeper

Sue Costa- Special Services Director

Gregory Pont –Director of Technology/ Security/MIS

Guy Boucher – Director of Facilities

Wheeler Middle/High School

Kristen St. Germain – Principal

Ryan Chaney – Associate Principal

North Stonington Elementary School

Veronica O. Wilkison – Principal

Introduction

2018-2019 was a year of historic proportions for North Stonington Public Schools! On March 4th the old middle/high school closed and on March 18th the new Wheeler Middle/High School opened on time and on budget! That completes Phase 1 of the town's school modernization project. Phase 2, a "renovate as new" project of the elementary school will be completed in April, 2020.

In terms of academic success, it was another exceptional year. In 2017, Governor Malloy recognized the state's highest achieving schools- schools in the top 10% of all Connecticut public schools. They are titled, *Schools of Distinction*. Of the over 1,000 public schools in Connecticut, 116 schools received that honor. North Stonington Elementary School and Wheeler High School continue to be recognized for their achievement. We are most proud of our middle school Smarter Balanced Assessment Consortium (SBAC) scores which will be delineated further in the report.

Moreover, there are 170 public school districts in Connecticut, data compiler Niche has ranked North Stonington Public Schools 36th best for the 2019-2020 school year based on last 2018-2019 data. It is also important to note that the district maintains its success while having one of the lowest per pupil expenditures. North Stonington Public Schools ranks amongst the least expensive school district of the 33 school districts in our District Reference Group (DRG).

The Annual Report

Over the last several years, there have been dramatic changes to public education on the state and federal level. The Board of Education (BOE) Annual Report also demonstrates the dedication of the district staff that is committed to academic excellence. With that stated the BOE and the school district administration want to thank the Town of North Stonington and its citizenry for its commitment to the education of its children.

We also would like to thank the North Stonington Parent Teacher Organization (PTO) and the North Stonington Education Foundation (NSEF) for donating their valuable time and energies to North Stonington Public Schools. In addition, the PTO and the NSEF continually raise and donate thousands of dollars annually to support a wide variety of activities for students and staff as well as innovative programs normally not funded through the annual budget.

A quote that has been used by the Superintendent and BOE in its annual budget presentation states:

"We Believe, that is, you and I, that education is not an expense. We believe that it is an investment."

-Lyndon B. Johnson, 36th President, October 16, 1968

The 2018-2019 school year was an extraordinary school year with our traditional graduation on the Wheeler Library lawn on June 12th. For the first time in recent memory, graduation was not affected by one snow day. In addition, a number of award ceremonies were held at our elementary and middle/high school. Beyond the outstanding academic success of our student body on standardized tests and in the classroom, our students continue to excel in the performing arts, where their learning and talents were demonstrated at musical events, theatrical performances and at art exhibits. Our students also excelled in the gymnasium and on the athletic field.

Beyond the talents of our students, which were evident through the aforementioned, as always, they gave of their valuable personal time volunteering at school and in the community. Their altruism makes us most proud. Our students exemplify and embody our town's motto which can be found when one crosses the borders into town, "*We Appreciate Our Volunteers.*"

Major Mandated Educational Initiatives

The No Child Left Behind Act played a significant role in Connecticut and on a national level. A decade of NCLB, as it was known, carried with it many mandates that impacted North Stonington Public Schools. NCLB was conjoined by "The Race to the Top" by the end of the decade.

NCLB was replaced five years ago with the *Every Student Succeeds Act* (ESSA). Like its predecessor, ESSA was a federal, bipartisan supported act which was signed into law by President Obama in 2015 and continues today.

In June of 2012, the Connecticut Legislature passed into law sweeping educational reform initiatives, including a mandate that districts develop a new teacher evaluation instrument. The North Stonington Teacher Evaluation/Professional Development Committee met periodically throughout the year as the district is in the fourth year of fully implementing the *SEED: System for Educator Evaluation and Development*, evaluation instrument.

As a result of ESSA, we no longer measure what we had come to know as Adequate Yearly Progress (AYP). AYP was used to measure the aggregate of a class or a school's total annual performance. The focus of the ESSA is on individual student performance, especially growth. In order to keep our teachers current in their pedagogy, the district continues to invest resources into Professional Development (PD). Some of the funding was made possible from the general fund with a major portion being funded through our Title II grant.

We believe that North Stonington Public Schools are safe, and student-centered, where teachers and students clearly want to be. Students are challenged by their teachers and their instructional methodology is diversified for all ability levels and learning styles. While test scores can sometimes be complicated to interpret for many, feel free to connect to the Connecticut State Department of Education's website (<http://www.sde.ct.gov/sde/site/default.asp>) where you can compare our test scores to all other Connecticut school districts.

Six years ago, the state converted to the nationally known *Common Core Standards*, referred to in our state as the *Connecticut State Standards* (CSS). The district prepared teachers well for this conversion providing PD beginning in 2012-2013 and it still continues under the direction of our districtwide Teacher Evaluation/Professional Development Committee. The committee is comprised of teachers and administrators.

In addition to the conversion to the CSS in 2013-2014, the test changed. While there is still some testing in the former CMT/CAPT for grades 5, 8, and 10 in science, all English Language Arts (ELA) and Math assessments are administered through the *Smarter Balanced Assessment Consortium* (SBAC).

Another major change is the method in which the test is administered. The test has changed from the traditional paper and pencil test to our students now being tested online using computers. Our Director of Information Technology /MIS/ Security was also involved in the conversion to the SBAC test, as all our buildings had extensive upgrades in instructional technology and to the internet system. Internet access for all our

buildings are now on a wireless internet system as all of the recommendations in the district's Technology Plan have been instituted.

The new state-of-the art middle/high school will serve our students and teachers well with our technological needs, which meet all Department of Administrative Services (DAS) "high performance standards," a requirement for state approval and reimbursement for the modernization project.

Please keep in mind as you peruse through the Annual Report and our standardized test scores, while the results are excellent, they are just one of several indicators used to measure a child, teacher, or school's performance. One only has to walk through the corridors of any one of our schools to sense the warm and nurturing environment that exists and the wonderful relationships between our students, teachers and administrators to realize the high level of education taking place.

In an effort to provide all our students with every opportunity to achieve success in the CSS, the budgets developed over the last eight-years have included funding for the necessary resources. Some of the resources have included, but were not limited to, new up-to-date printed/text materials, computer hardware and software and online programs. Personnel have been added as well to include specialists in math and literacy in 2013-2014 and again in 2015-2016. The specialists teach in our elementary and middle/high school. The positions have provided individual, intensive instruction to those students identified with particular needs. They also provide small group and whole-classroom instruction which is beneficial to all our students. Most importantly, our specialists, through ongoing PD, provide model lessons as they work with teachers and students in the classrooms.

Technology in the Classrooms & School Security

In order to provide and ensure safe internet access and use by students and staff, the BOE, under the direction of the Director of Technology, developed a Bring Your Own Device (BYOD) to school policy. The BYOD policy provides regulations and guidelines for all to follow.

All of our exterior doors are magnetically locked. All faculty and staff have security badges with key fobs. When the fob is scanned at the point of entry, the door will unlock for the staff member to enter the building; after entry, the door will relock. Visitors to school, once identified via a video system, are buzzed into the building.

A new video surveillance software and camera system was installed as part of the middle/high school project and the same will be installed during the renovation of the elementary school.

Finally, all our buildings' main offices have the Raptor Visitor Management System®. The Raptor system allows for the main office staff to scan any visitor license/ID prior to the visitor attending meetings. The Raptor system scans IDs and matches the person to a *National Sex Offender Database*. It also determines if the visitor has been involved in any criminal activity that may warrant non-entry into our schools. The Raptor database system is updated weekly. All the new security measures along with the Volunteer Policy passed by the BOE have helped to make our schools significantly safer.

School Modernization Project

After several years to consider improving the district's facilities, in May, 2016, residents and voters of the Town of North Stonington, via a referendum, approved a resolution to modernize all North Stonington Public Schools. Another referendum was held in February 2018, in which the voters overwhelmingly reaffirmed

moving forward with spending \$38.55 million for the project. The state will reimburse the town at a rate of 46.07% of the cost of the project, roughly \$17.8 million.

As mentioned earlier, the middle high school project was completed in March, 2019, and the elementary school will be completed in April, 2020.

NEASC Accreditation

The New England Association of Schools and Colleges (NEASC) visiting team conducted its decennial visit/evaluation of Wheeler Middle/High School in the fall of 2014. It was an excellent report with numerous commendations. All recommendations in the report have been addressed with a focus on facilities. A required “five year” report was submitted and as a result Wheeler remains fully accredited by NEASC. Wheeler is presently preparing for its next evaluation in two-years.

Mandated Standardized State Testing

North Stonington Elementary School

Since 2015, the CT State Department of Education has mandated the administration of the Smarter Balanced Assessment Consortium (SBAC) test for both English Language Arts and Math. Beginning in 2019 the Next Generation Science Standards Assessment was administered to students in grades 5, 8 and 11.

The Smarter Balanced assessments measure student progress based on the CT Core Standards, or learning expectations, for Grades 3-8 in English Language Arts (ELA) and mathematics. The scores are used as a ruler to measure the skills acquired throughout the school year. It provides information about achievement in the current grade and growth from year to year. More importantly, the results on the SBAC guides the direction to improve instruction and learning for our students.

In March 2019, the elementary school made the move to the old MS/HS. Even with the great changes and challenges that made, the elementary students continued to perform at the highest levels on the SBAC and the NGSS Science assessment. Below are the achievement scores for grades three through five for the past three years on the SBAC:

**SBAC Percentage of Students in Grades 3 – 5
at goal or above**

Grade	ELA	ELA	ELA		Math	Math	Math
	2017	2018	2019		2017	2018	2019
	% goal or above	% goal or above	% goal or above		% goal or above	% goal or above	% goal or above
3	81%	79%	79%		98%	93%	89%
4	74%	77%	82%		84%	88%	88%
5	89%	84%	82%		83%	81%	89%

Ranking of North Stonington Public Schools

The state department of education ranks public schools based on the greatest percentage of students who met or exceeded the goals in English and math on the Smarter Balanced Consortium Test.

Of the 170 Public School Districts in the state the North Stonington School District is ranked 15th, placing the district in the top 10% of all Connecticut schools.

North Stonington Elementary School was ranked 28th out of 522 elementary schools in CT based on <https://schooldigger.com> with a 91% average standard score, placing it in the top 5% of all Connecticut elementary schools.

Next Generation Science Standards

For the first time, assessments aligned to the Next Generation Science Standards (NGSS) were administered to students in Connecticut at Grades 5, 8 and 11 starting in the spring of 2019. The tests assessed students’ understanding of the NGSS standards and application of concepts taught. Information about the science standards can be found at www.nextgenscience.org.

2019 Performance on NGSS Summative Science Test

Grade	Number of Students Tested	% at goal or above
5	57	79%

Wheeler Middle/High School

The SBAC (Smarter Balanced Assessment Consortium), the standard SAT for high school students in the 11th grade and the NGSS (Next Generation Science Standards) for grades 8th and 11th graders continue to be the assessments we use to monitor progress at Wheeler. See data below.

The SBAC test is used to measure student progress based on the Connecticut Core Standards for Grades 6-8 in ELA and Math. The scores are used as a ruler to measure skills acquired throughout the school year. Most importantly, results on the SBAC assessment provide our schools and educators the direction to improve instruction and learning for our students.

The Next Generation Science Assessment was given in 2019 and used as a measured assessment by the State of Connecticut for the first time this year. Students in grades 8 and 11 take this assessment so schools can now measure science growth across grade levels in these standards.

SAT School Day allows our school to offer the SAT to juniors and seniors in school, on a weekday, expanding access to a globally recognized college admission test that's accepted at all U.S. colleges.

Listed are the achievement scores for grade six through eight for the past two years in SBAC, the first year for our district in NGSS and last year’s SAT:

**SBAC Percentage of Students
At/Above Goal**

Grade	ELA-2019	ELA-2018	MATH-2019	MATH-2018
	% goal or above			
6	75%	65.4%	71.7%	57%
7	85.1%	88.3%	63.8%	70%
8	78.7%	73.87%	65.6%	44.6%

Currently, our Wheeler Middle School students are outperforming most of the ECC schools in ELA and Math. In all areas and in all grades, we are well-above the State averages and we continue to show significant growth each year in English and Math. Much of this success comes from a strong SRBI program as well as the implementation of Literacy and Numeracy interventionists at the middle level.

**NGSS Percentage of Students
At/Above Goal**

Grade	NGSS 2019
	% goal or above
8	82%
11	80.4%

Wheeler’s performance was outstanding on the first report of the Next Generation Science Standards. **8th grade students scored fifth in the State of Connecticut and our 11th grade class also scored much higher than all other high schools in the ECC Conference as well as within our DRG.**

A large part of Wheeler’s success came because we have implemented the NGSS standards into our curriculum and have started extracurricular opportunities like Science Olympiad into our offerings.

**Percentage of Students Meeting or Exceeding Goal
SAT – Spring- 2018**

Test	Grade	Wheeler
ELA	11	80.0%
Math	11	66.7.0%

Our SAT success is largely due to the fact that our high school staff is committed to using KHAN Academy as part of their work within their disciplines. Wheeler utilizes this free resource to give students multiple opportunities to work on their PSAT/SAT growth during their entire 9-12 experience.

Wheeler continues to offer Advanced Placement (AP)/Early College Experience (ECE) courses at Wheeler. All students are tested for credit distribution but this year we have a lower number of students taking AP classes. Wheeler still offers classes in ECE Calculus, AP Statistics, AP/ECE English, AP Biology, AP World History, ECE US History as well as other student-selected AP classes through the Virtual High School, BYU online and Keystone Academy.

Other Assessments:

Students in grades 6-8 are also given a Performance Series Assessment in Math and Reading twice a year. This is an in-house assessment used to measure and track gains and losses students experience while at Wheeler each year. We also test our students who receive reading and math interventions in January at the school year's midway point to ensure they are making appropriate progress. In our intervention groups, STAR is also used to measure growth for Tier 2 and 3 students in Math.

At the high school, mid-year and final exams are administered to students in grades 8-12 in January and in June. ALL courses are required to give examinations but some are performance-based when applicable.

All 6th, 7th and 8th graders also take a math readiness exam to place them in an appropriate math class each year. If students qualify, we have a schedule that allows them to travel out of their class cohort for math instruction which allows them to get to a higher level of math in high school allowing many of them to take more college level courses while still at Wheeler. These same students are also administered a reading assessment, a written comprehension and fluency assessments from the QRI-5. Our literacy specialist administers this test each year to determine yearly reading progress. They are also given a vocabulary and maze (which measures comprehension during silent reading) assessment which comes from the Consortium on Reading Excellence (CORE).

All students in grades 8-10 are given the PSAT (Preliminary Scholastic Aptitude Test). All juniors take the SAT (Scholastic Aptitude Test) their junior year and also have the opportunity to take the SAT their senior year should they so desire. Wheeler is a testing site for the PSATs and SATs. Various data teams have done a lot of work to align students' PSAT scores to Khan Academy which offers individualized programs in English and Math for students to work on increasing their overall scores.

Wheeler continues to work hard at guiding our students in achievement using the State's new Accountability Index. This index takes a holistic approach at evaluating our students and school. Areas looked at include standardized test scores, overall growth in ELA and Math, attendance, college and career readiness, access to the arts, access to technology and overall performance in physical fitness. As a school, Wheeler continues to align our school goals to this new index and works hard to strengthen our students' 21st century skills.

Summer School Program

In 2019, summer school was offered at the elementary level for students in grades Pre-K to 5 and at the MS/HS level for students with significant needs. Class sizes remain relatively small, thus allowing summer school teachers to devote extra attention and time to students in attendance. This was the 19th year of the program which focuses on language arts and math and runs for four weeks each summer at no cost to the student. Transportation is provided for special education students.

Other Assessments

At the elementary school, STAR Renaissance Learning universal screenings are performed three times a year in both math and English language arts. The results guide teacher instruction to meet individual needs of the students.

Beginning in kindergarten, students are taught to write all genres and are assessed based on state rubrics. Also, various reading assessments such as the DRA (Developmental Reading Assessment), Benchmark Fluency, Development Spelling Assessment, and Core Phonics are given depending on grade levels. Formative assessments are utilized in all subject areas to determine student need for additional instruction.

Special Education

(State Special Education data is reported one year in arrears.)

The District Profile and Performance Report for school year 2017-18 indicates a prevalence rate of 8.2% which is below the State rate of 14.5%. There is a balance between the number of students identified for special education each year and the number of students exited from services. The SRBI model continues to provide appropriate interventions that enable students to meet grade level standards and reduces the number of referrals to special education.

The Annual Performance Report on Connecticut's State Performance Plan (SSP) for school year 2017-18 indicates that North Stonington continues to meet or exceed the State target requirements for all the SSP indicators:

- **Improve Participation and Performance on Statewide Assessments.**
The district has 100% participation rate for students with disabilities on Statewide Assessments (State target: 95%). In math, 46.15% were at the proficiency rate; State target was 13%.
District has substantial compliance or has met State target for both indicators.
- **Increase placement and time with nondisabled peers (TWNDP).**
85.71% of our special education students are in the general education setting 80-100% of the time which is significantly above the State target of 68%.
0.00% special education students are in separate schools, residential or other settings (State target: 8.4%).
- **Increase time in early childhood educational environments.**
100% of special education students are in regular early childhood placements 80%-100% of the time which is above the State target of 77.5%. No students are in segregated placements.
- Full reports can be found at www.edsight.ct.gov.

North Stonington Elementary School Accomplishments

The North Stonington Elementary School Mission:

In a partnership with family, school, and community our mission is to educate, challenge and inspire each individual to excel as lifelong learners and to reach their highest potential as they aspire to become responsible, respectful, and honest members of society.

- All instruction at North Stonington Elementary School is aligned with the CT Core Standards (CCS). Instructional shifts continue to be made for both English Language Arts (ELA) and Math with enhancement of instructional strategies.
- The instructional shifts (expectations) in ELA are below:
 - ❖ Build knowledge through content rich nonfiction text.
 - Reading, writing, and speaking is grounded in evidence from text, both literary and informational.
 - Continual instruction and student work with complex text and academic language.
 - The instructional shifts (expectations) in math are below:
 - Greater focus on fewer topics in each grade level.
 - Coherence: Linking topics and thinking across grades.
 - Rigor: Pursue conceptual understanding, procedural skills and fluency, and application with equal intensity.
- With the implementation of the CT Core Standards starting in 2011-12, through the alignment of instructional materials, updating instructional practices, providing interventions daily through small group and individual instruction, we are proud to say that the 3rd, 4th and 5th grade students scored at the top of the CT school districts on the SBAC test.
- Instruction at the elementary school continually meets the needs of our students with high quality planning, instruction, and assessment in all academic areas to ensure students are learning at their appropriate level as well as developing emotional and social skills.
- Programs in reading and math strive to meet the needs of every child. All grade levels implemented the Daily Five program which supports small group instruction and encourages independence in learning.
- The use of Renaissance Learning STAR Benchmark assessments was implemented to analyze student progress and provide instruction to meet each child's specific needs.
- The remedial reading curriculum includes a variety of programs to meet the needs of our students such as:
 - Foundations for phonics and spelling instruction
 - Wilson Reading Program
 - LiPS-Lindamood Phoneme Sequence
 - Read Live Fluency Program
 - Just Words
 - Lexia Technology Reading Program
 - Remedial Comprehension Instruction
- The Positive Behavioral Intervention and Support (PBIS) program, which was implemented in 2010, continues to systematically teach students what appropriate behavior looks like and recognize students who demonstrate the school-wide expectations. Data has shown that behavior choices of our students continually improve.
- The Student Assistance Team (SAT) process utilizes the state mandated Scientific Research Based Intervention (SRBI) model to provide teachers and students with support at the first indication of

difficulties academically or behaviorally. Regular education and special education staff worked together to better support instruction, modification of expectations, and student learning.

- The after school Homework Club provides additional support, especially in the math and language arts areas for students in grades 3, 4, and 5, and teaches study skills to all students.
- The New Family Orientation was held before school began to welcome our new students.
- All parents/guardians were invited to the Open House on August 30th where their students served as tour guides of their classrooms and the school.
- On September 17th the students celebrated Constitution Day, the official signing day of the U.S. Constitution, by learning about the document and how and why it was written.
- Our students once again actively participated in the Governor's Summer Reading Challenge program over the summer. The 128 students who read over the summer were recognized during a special ice cream social and each student received a new book and a certificate.
- Members of the North Stonington Volunteer Fire Department presented a fire prevention assembly to celebrate Fire Prevention Week and teach fire safety. Students entered the poster contest with two students being recognized for their posters at the Fire Prevention luncheon on March 28th.
- The third annual Walk to School Day had all students walking from the Recreation Field in an effort to get our students moving and simulate walking to school.
- The Annual Veterans Day Celebration was held on Nov. 9th to recognize our local veterans and help our students understand the dedication all veterans show during their service to our country. Each child was able to invite a veteran to school for a special breakfast and patriotic assembly with 62 veterans attending.
- Carol Glynn, our Artist in Residence, developed the knowledge of CT history and oral language skills by working with our third grade students thanks to support from the PTO and a donation from a local family. The students learned about local legends and each class presented a musical play for their families.
- Parent/Teacher Conferences were held twice to support building a strong relationship between family and school.
- The North Stonington Drama Club presented Peter Pan, Jr., directed by Kelly Gonzalez. The NSPTO and program advertisements supported the presentation on February 21st and 22nd.
- The Fifth Grade Chorus entertained the school community with a holiday and a spring concert directed by Michael Noonan, the elementary music teacher.
- Two band concerts were held this year. In December, the Fifth Grade Second Year Band students presented a holiday concert and in May the Fourth and Fifth Grade Band students presented a very successful concert directed by Zach Thomas.
- The annual North Stonington Elementary School Art Show was held on January 31st. Art work created by all students was displayed in the museum created in our MPR.
- All grade levels, K – 5, presented concerts for the school and families directed by Mr. Noonan.
- During the school year the students and family members experienced special days in which family members were invited, such as Student Authors' Day, Technology Week, and Field Day.
- The entire NSES community celebrated Flag Day with many special guests on June 7th.
- The DARE program was once again offered by our local State Troopers to grade 5 students. All students graduated with the knowledge to stay alcohol and drug free. The graduation was held on June 10th.
- A bi-monthly newsletter was published and distributed to families to support communication between home and school.
- To help our students recognize the importance of giving to others, fund raising opportunities such as Walk Your Can a Mile food collection, Holiday Food Drive, and Jump Rope for Heart were held. Students also supported our troops by creating cards and letters for them throughout the year.

- Our third, fourth, and fifth grade students were invited to participate in the CT Invention Convention. This year was a very successful year thanks to the efforts of Mrs. Servidio. Six students were chosen to go to onto the state finals at UCONN and one student was selected to present their invention at the National Invention Convention in Washington D.C.
- Each year the CHET program for college savings asks students to either draw or write an essay about what they will do after college. A fourth grader was recognized for her essay and NSES was recognized as the school with greatest participation in New London County and was awarded \$500.
- Sixty-two students involved in our Marathon Club finished their last mile at the annual North Stonington Education Foundation Run.
- The NSPTO continues to sponsor cultural programs for our students as well as the Artist in Residence program, two book fairs, support for field trips, teachers' grants and much more.

North Stonington Elementary School students and staff are enormously grateful to the parents, guardians, grandparents, the NSPTO, the NSEF, and all community members who continue to volunteer in the classrooms and support our school.

Wheeler Middle/High School Accomplishments

- Wheeler continues to provide programs for our students on the dangers of substance abuse as well as internet safety presentations. Every three years, all grade 7-11 students participate in the Southeastern Regional Action Council survey about drugs, alcohol and other mental health issues. Results from this valuable survey continue to be shared with our staff and community. We will survey our students again in 2019 to monitor our continued intervention work in these areas.
- Our Counseling Department continued the tradition of preparing students for the various experiences at and beyond Wheeler, such as: transition activities to the parents and students moving from Grade 5 to Grade 6, and from Grade 8 to Grade 9. Financial aid evenings are held to help educate our parents and students about paying for college in a difficult economic climate. They have also held "Coffee with the Counselors" for parents to meet in an informal setting to discuss college and career topics relevant to juniors and seniors. Counselors and teachers have also created an option after school two days a week where students can work on college applications and Common App.
- The Wheeler school counselors and support services personnel offer classes to help support our middle school and high school students in areas such as study skills. They also teach developmental guidance lessons in our middle school classrooms as well as work with juniors and seniors to help them navigate Common App and other important initiatives such as their SSPs.
- Wheeler's Peer Mentoring Program matches high school students with younger students in grades 3-8, with the purpose of helping with school work and serving as role models. Some of the mentors work individually with students; others volunteer in a whole classroom, and others do both. The selection process for a student to become a mentor includes an application, recommendations, and an interview with members of the counseling department. Once selected, mentors are trained by the counseling department with training sessions, focusing on mentoring skills and responsibilities. After successfully completing the training, the mentor/tutor will be matched with a student and weekly meetings will begin. These meetings will take place during lunch, study hall, or after school throughout the remainder of the year. Families of students in grades 3-8 who wish to have their children matched with a mentor provide permission to the social worker at the elementary school or the counseling department at the middle school.
- The PRIDE PROGRAM (PBIS) continues at the middle school level and receives positive responses from students, faculty and families. Each quarter students are earning PRIDE points and shouts-outs that they receive from their grades or their adherence to our social/civic expectations. Through this program,

students have numerous opportunities to earn their way into our end-of-the-year celebratory event. Changes were made to move away from quarterly celebrations so that more students have the opportunity to find success even when they fall down on occasion. Each week on our morning news program, students can be recognized for SHOUT OUTS from their teachers for modeling our social/civic expectations.

- Our School Counseling Department hosted another Alumni visit for all Wheeler High School students. Over 25 alumni returned for this presentation that was created to share information about the college application process as well as to answer questions about life after high school.
- Parents, students and teachers, are offered the opportunity to complete a variety of surveys that provide feedback to help us improve our practices at Wheeler. In years past we have used these surveys to make changes within our school handbook as well as within the structure of our school day. This year we will be surveying parents and students on potential pathway opportunities that we are working to bring to Wheeler in the future.
- As part of our continued health awareness, the Wheeler Food Committee, made up of students, health teacher, superintendent, business manager, and the food service provider, Aramark, met four times per year to discuss the nutrition and food choices that Aramark provides. Since the committee has formed, the food has improved by having fresh fruits and veggies instead of canned. They have looked at farm-to-table for some of these veggies and fruits from local farms. Through this committee, some menu items were eliminated because students explained that they were not popular items because of the food choices. The students wanted more options, so a Panini maker was added and are served twice a week as well as a build-your-own sandwich bar, twice a month. Salads are also now available every day.
- CPR/First-Aid/AED training was given to all 9th and 11th grade students through their health classes. These students go through the training to learn the basic skills to be able to help someone in need. Wheeler staff members continue to provide this training to coaches within our Wheeler community on a yearly basis.
- Throughout the year, Wheeler students participated in ALLI field trips. “ALLI” stands for Adolescent Learning and Leadership Institute. Many students from Wheeler High School work with students from surrounding high schools (Stonington, Ledyard, Waterford, NFA, Montville, Bacon Academy, and Griswold) to be educated on ways to avoid drugs and alcohol in their lives. These students act as school leaders and bring back important information to their peers and school.
- The school successfully navigated our two-year NEASC report. We continue to work on our five-year report and work hard to make changes recommended to us in our 2014 NEASC report. Administration continues to stay abreast of the changes to the accreditation process and has attended numerous conferences and meetings in regard to these changes. Our first visit in the new process will take place in the year 2020 with a team visit in 2024.
- New courses continue to be developed to better meet the needs of all of the students, many of which centered on the UCONN/ECE program which allowed Wheeler students the opportunity to earn transferable college credit. We now have year-long Agri-Science 1 and 2 classes, as well as a Psychology class. At the middle school level we have added a coding class. We are currently looking to add more elective opportunities at Wheeler as we have aligned our graduation requirements to better fit the 21st Learning Expectations that the State has recommended.
- 37 students took the AP exams last year. 72 total exams were taken in all and 61% of those exams taken earned college credit.
- Across the state, last year’s SAT averages were down by comparison to other years. The state average in ELA was 514 and in Math it was 502. Our 2018 junior cohort fell short with a 502 in ELA and a 495 in Math. Although they fell below the state average in both areas, for this particular cohort, they showed 65% growth overall since their last PSAT. This is a cohort we have been watching since they entered

Wheeler in 2013 as they have historically tested far below state averages on all of their state testing. With the interventions put in place, however, they have continued to show growth each school year.

- All students in grades 6-8 took the SBAC test in reading and math. This year's 8th graders (who tested as 7th graders in the spring) tested first in the state in ELA. Students in grades 8 and 11 participated in the NGSS (science) field test. Overall, Wheeler students continue to show gains in reading and math on their SBAC tests. We will not receive any data from the NGSS field test until next school year.
- In regards to analyzing our performance, we have created various data teams that consist of administration, guidance and faculty and staff. This team analyzes the variety of data points we use, including SBAC, AP, ECE, SAT, PSAT and Performance Series, to assess our students' growth which allows us to use the data to make informative changes to our instruction and curriculum.
- Many students received CIAC-CAS awards. Two middle school students were honored at the Aqua Turf in Southington as Scholar Leaders, and two high school students were honored as Scholar Athletes. We also sent one student on to compete in the Governor's Scholar program.
- We continue to fill all of our VHS (Virtual High School) seats each year. This year we have also had students taking online courses in BYU Online as well as Keystone Academy. These opportunities continue to allow our students to take courses that we are unable to offer due to scheduling conflicts that arise. Last year's courses included AP Music Theory, AP Physics, AP Psychology, Honors Anatomy and Physiology, Honors Philosophy, Kindergarten Apprentice Teacher, Pre-Veterinary Medicine, Number Theory and many others.
- In order to better prepare eighth grade students to handle the rigor of high school, the eighth grade team continues the practice of giving midterm and final exams.
- Our math department continues to bring diverse math offerings at Wheeler to better align to the CT Core Standards. Freshmen now start with Geometry and move into Algebra I, II and then Pre-Calculus and Calculus. Middle School students can also earn high school credit by taking Geometry as 8th graders. The schedule is aligned so students can travel up a level in math each day so all of our students now have opportunities to participate in accelerated math courses each day. In addition to these changes the middle school program is now fully aligned to the core and offers an online component of their math program. We continue to provide advance opportunities for our middle school students to give them opportunities to get on the advanced track whenever possible.
- Working in conjunction with Positive Health in Teens (PHIT) we continue to use our breathalyzer at high school events when we deem necessary. We also work very closely with our local State Troopers when it comes to the safety and wellness of our students.
- The Middle School continues to offer a solid SRBI program to incorporate interventions to students in need. Every day there is an SRBI period where students can receive interventions in math and reading as well as enrichment opportunities that reinforce literacy and numeracy skills. Students in interventions are monitored to show gains and losses in math and reading each year.
- To solidify our SRBI program the school has created a calendar that schedules intervention sessions to better allow staff members to share students that might need interventions in both areas of reading and math. This calendar allows more effective scheduling to take place with our staff members and interventionists.
- Our Middle School "at-risk" population is provided with opportunities to make up or finish work that they did not complete each quarter through our Middle School Academy program. This is a way for our staff members to truly hold students accountable who are capable but making poor decisions in regard to class or homework. Academy takes place every SRBI session as well as during our mid-term and final exam weeks at Wheeler.
- Our Student Study Center (SSC) is now staffed full time with a Wheeler faculty member and a para professional. This faculty member is available to assist high school students who need extra help or

organizational help during their school day. Students can now be scheduled into this option during the year as a supervised study hall. Those students scheduled in can receive a .5 credit if they stay in there all year.

- Wheeler uses a full-time math position to serve as the middle school math interventionist/coach as well as teach one high school math section. This teacher works with Tier 3 middle school students two periods a day, pushes in to three middle school math classes as a math coach, and teaches one section of high school geometry. As the middle school math program transitioned to a new program and model this year, the position has transitioned from strictly math interventionist to both interventionist and coach to support all three middle school math teachers as much as possible.
- Many out-of-the-classroom opportunities were planned which met the various educational needs of the students and provided experiences that the students may not normally have been able to experience within the walls of their classroom. For example, high school biology students received a tour of the Whole Foods Production Company. Middle School students traveled to the Waterford Country School for the Ropes Course Challenge, Battleship Cove in Fall River, MA, the Human Body Exhibit in Providence, RI, and the Connecticut River Museum. 8th graders took a historical tour of Boston and high school AP Literature Students took a tour of UCONN to use their library database. We also sent high school females to the Women in Science program at Pfizer as well as other tech events that promote technology education.
- Many teachers attended regional conferences, such as NGSS in science, ATOMIC and the National Math conference, the National Conference in Social Studies, the International Literacy Association conference, numerous conferences in global language and local regional PD opportunities around the state. Teachers continue to use professional development to bring back new ideas and activities to share with their students and other department members.
- Last year, one of our Wheeler faculty members was selected by the Library of Congress in Washington DC to be their teacher-in-residence. This staff member was selected as the one and only candidate after a national search and application process.
- Our Wheeler Literacy specialist took a group of five Wheeler students to Texas to help victims recover from the hurricane devastation that took place there. These same students made multiple presentations to the public on what they did, as well as raised money to cover the expenses of their trip.
- Students in both the Middle and High School participate in a daily Advisory homeroom program where they are able to connect with faculty members. Through their advisory program they also participate in numerous charitable opportunities where they are giving back to their communities and practicing our Social/Civic Expectations: Honesty, Safety, Respect and Responsibility.
- Our Senior Project continues to match up high school seniors with members of the North Stonington and neighboring communities. This capstone project allows students to practice and fine tune their 21st century presentation skills, as each senior presents on a chosen topic of interest. Last year we had students study on college campus laboratories, compete in a national horseshow, rebuild a truck and tractor, compose music for a theater production and a variety of real-life hands-on experiences that allow them to explore and fine tune their personal interests. The program at Wheeler is often visited by other school districts for the exemplary program in place.
- The Wheeler debate team competed in the Great Debate, a state-wide competition and placed for the third year in a row. They continue to expand their competition platform and compete against schools in the ECC to prepare for this important competition.
- Wheeler students participated in the Apprentice Challenge and competed against neighboring schools to create a business plan for a local business. Wheeler High School business students have won the championship for three consecutive years. This and the Money Madness trip allow our students to practice their personal finance skills as well as their business skills in a real-world platform.

- Middle School literacy students organized an annual tribute to our local veterans and emcee the program to reinforce important literacy skills in our Flag Day tribute where they invited in local veterans to be honored by our staff and students. They also presented citizenship awards to students of Wheeler Middle and High School who demonstrate leadership and were voted on by the faculty. Several middle school students entered the essay contests sponsored by the local VFW on various topics including patriotism and the flag. These students shared their essays at our Flag Day program.
- We had another successful summer reading program last year. We read the book, "Hideout," by Watt Key. We celebrated our summer readers, by hosting a breakfast for them in September. Wheeler Middle School students were also afforded the opportunity to SKYPE with author Watt Key.
- In January, our school media specialist and school literacy specialist hosted our annual "Middle Ground Book Club" for students and adults. We read "Refugee" by Alan Gratz. This book tells the amazing story of a Jewish boy living in Nazi Germany. With the threat of concentration camps in sight, his family sets sail across the world. As always, there were rich conversations and this unique book club provided a "middle ground" for students and parents to come together over quality literature.
- Our Middle School and High School literacy coaches hold book clubs for students in grades 6-12. These book clubs are voluntary and students meet during their lunch waves to participate.
- The Wheeler High School Print Shop prints a variety of mailings and flyers for local businesses and has printed various items for town-wide distribution and community groups. Our print shop is also responsible for the printing of the North Stonington Quarterly each season. The print shop also has a 3D printer, which allows our students interested in engineering opportunities to design prototypes and eventually bring them to fruition.
- Wheeler still participates in the Perkins program and has received a variety of technology to supplement and increase participation in our CTE programs. Grant money was used to purchase new digital cameras and other accessories to support our new photography classes.
- Wheeler students and faculty donated food, canned goods, etc. to our in-house food bank to be donated to local families for the holiday seasons. They continue to donate holiday baskets as well as gift cards to local supermarkets. Our high school students continue to volunteer at the Shoreline Food Pantry on Saturdays, where they serve a hot meal to local patrons and help downstairs in the food pantry on a monthly basis.
- Our High School Band and Chorus participate in several events, with performances at The Dunkin Donuts Center in Providence, the annual North Stonington Tree Lighting, the North Stonington Festival and the Wheeler Arts Symposium. Students from grades 9-12 marched in the annual North Stonington Memorial Day Parade.
- Last year our Wheeler Drama department and our Wheeler band combined for their performances of Rumors. Over 70 students from our middle school and high school were involved in these performances.
- Two students were nominated for accomplishments in the areas of Art and Music and were honored at the AquaTurf in Southington, sponsored by the Connecticut Association of Schools.
- The High School Concert Band and Choir provided some of the ceremony music for senior graduation along with about 20 Wheeler alumni in the annual alumni band. Our band and chorus concerts, as well as art shows, were huge successes and were very impressive for both their quality and for the high number of students participating.
- Last year, some of our middle school students were accepted into the Eastern Region Music Festival, a regional honors festival where top students from the region performed advanced repertoire under renowned conductors.

- Wheeler High School students were accepted into the Eastern Region Music Festival, a regional honors festival where top students from the region performed advanced repertoire under renowned conductors at the UConn music facility. Students went on to audition at the all-state level.
- The Music Boosters awarded a college scholarship to a student who has gone on to major in music. They also sponsored a Talent Show that showcased diverse talents from our students in grades 6-12.
- The Wheeler Music Program earned gold medals across the board for its performances at the Great East Festival in May of 2019. Each year, the 7th/8th Band & Chorus and the HS Band & Chorus prepare a program for adjudication. They receive scores, comments, and a brief clinic from judges. All four Wheeler ensembles were awarded gold medals.
- The Wheeler band and chorus performed at the North Stonington Tree Lighting and the Wheeler Band performed at NoSto Fest and Memorial Day Parade.
- Many of our students had artwork in an exhibit at NFA that honored ECC artists.
- In the area of athletics, 64% of our high school students played a sport last year, many playing three sports during the year. We had many students recognized as All Eastern Conference First Team Small Division members as well as many honorable mentions. We also received several sportsmanship recognitions from the ECC. We also had two students make All-State as well as Academic All-State recognition.
- Wheeler athletics continue to take part in the Class Act School program sponsored by CIAC. The CIAC's Class Act Schools initiative is designed to empower schools and particularly students to take ownership for all issues related to sportsmanship within the athletics department.
- Our club offerings continue to expand and include opportunities for students to participate three times a month during the school day in the following clubs: Farm and Garden Club, American Sign Language, Give Back Club, Film Club, International Club, Book Club, Scrapbooking Club, Photography, National Honor Society, Unified Sports, Drama Club, WBC News, Student Government, Math Team, Science Bowl and a variety of other offerings.
- In the Agri-Science I & II class students have explored a variety of agricultural topics and concepts, including: plant morphology, landscape design, sustainability practices / challenges, the aquaculture industry, and macro/micro nutrient cycling. Students have been busy at work applying the topics towards a cumulative aquaponics lab experience. Over the 2017 fall / 2018 winter students collaborated and utilized their diverse range of talents, and skills to engineer a system within our school. With a few koi fish, some artificial lighting, and careful planning, students have gotten the opportunity to see their new content knowledge in action. During the second semester the Agri-Science II class refined the system and harvested different crops through June in their aquaponics closet.
- Last year, our greenhouse continued to be fully operational providing space for the elementary students to plant in their science classes as well as for our MS and HS Farm and Garden students to host their annual plant sale. In addition to the greenhouse, students have also raised 11 laying hens and take care of them as part of the Farm and Garden Club. Students are responsible to feed them, change out their water, collect eggs, and maintain the coop as well as the run area. The eggs are sold to local faculty and staff members and the money is used to continue to buy food for the hens.
- Wheeler has established a cooperative with the Westerly Education Center that now allows our high school students to participate in training that will allow them an opportunity to work at Electric Boat in the future. This training is in the area of sheet metal and will also be offered to seniors next year during the school year for partial credit. Wheeler students may also enroll in art courses that run at the Westerly Education Center on weekends.
- Wheeler continues to sponsor a Unified Sports Team. Through this peer mentor program, members of our Unified Sports team participated in unified bowling and basketball against other unified teams in the

local area. The Unified Sports Team meets three times a month at Wheeler as well as after school to prepare for their competitions.

- Since 2016 Wheeler High School's Student Government continues to focus on involvement in the Wheeler and North Stonington communities. The group organizes voter registration events at the school where our ages 17+ can register to vote. Students work as volunteers at the North Stonington polls and also continue to organize a yearly school-wide spirit week that includes days to support Relay for Life (a purple-out) and honor Memorial Day (red, white and blue day). Student Government also sponsors a "Why Wheeler" program, targeted at 8th grade students with the idea that it might keep more 8th graders in house at Wheeler in the future as opposed to going to other schools of choice.
- Wheeler's Annual Give Back Day provides a wealth of support to the North Stonington Community. Students participated in a variety of tasks, some including reading to our elementary students, cleaning classrooms for teachers, weeding and cleaning our outdoor gardens, and tending to the yards of the elderly who cannot do so for themselves. Many also hold fundraisers to donate to local charities such as local animal shelters, VFW hospitals and other local organizations in need.
- Students continued to provide meaningful services to our community, which aligns with the mission of Wheeler. They held two blood drives; multiple food drives, and drives for clothing, used sports equipment and toys. Several sports-oriented fundraisers were held, including the Oxfam Basketball Tournament and other National Honor Society hosted events to raise money for other charities.

In Summary:

The 2018-2019 school year was another one of growth, improvement and student achievement. It is hard to capture all of the events and recognition of an entire school year in a few short pages. There is much more that could be said. You are invited to visit our schools in person or via the Internet at www.nortstonington.k12.ct.us. We have much to be proud of!

Mr. Peter L. Nero, Superintendent

STAFF PROFILE 2018-2019 (October 1, 2018 Data)

POSITION	ELEMENTARY SCHOOL	HIGH SCHOOL (1)	CENTRAL OFFICE	TOTALS
Certified Staff Members	34.45	48.55		83
Student Support Services (2)	0.8	0.2		1
Administrators	1	1.9	2	4.9
Business Manager			1	1
Network Administrator & Technician			2	2
Administrative Support/Secretaries	1	2.8	3	6.8
Nurses	1	1		2
Health Aide	0.5	0.5		1
Paraprofessionals/ Assistants (3)	12.88	8		20.88
Maintenance/Custodial/Grounds	3.5	3.5	1.75	8.75
Total				131.33

1. The State Department of Education now considers Wheeler a grade 6-12 high school.
2. Occupational Therapist
3. The numbers include full-time and part-time assistants

SCHOOL ENROLLMENT 2018 - 19 (1)

SCHOOL	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Elementary School	36	53	54	50	57	62	57								369
High School (2)								62	48	61	47	42	49	44	353
Out-of-District															0
TOTALS	36	53	54	50	57	62	57	62	48	61	47	42	49	44	722

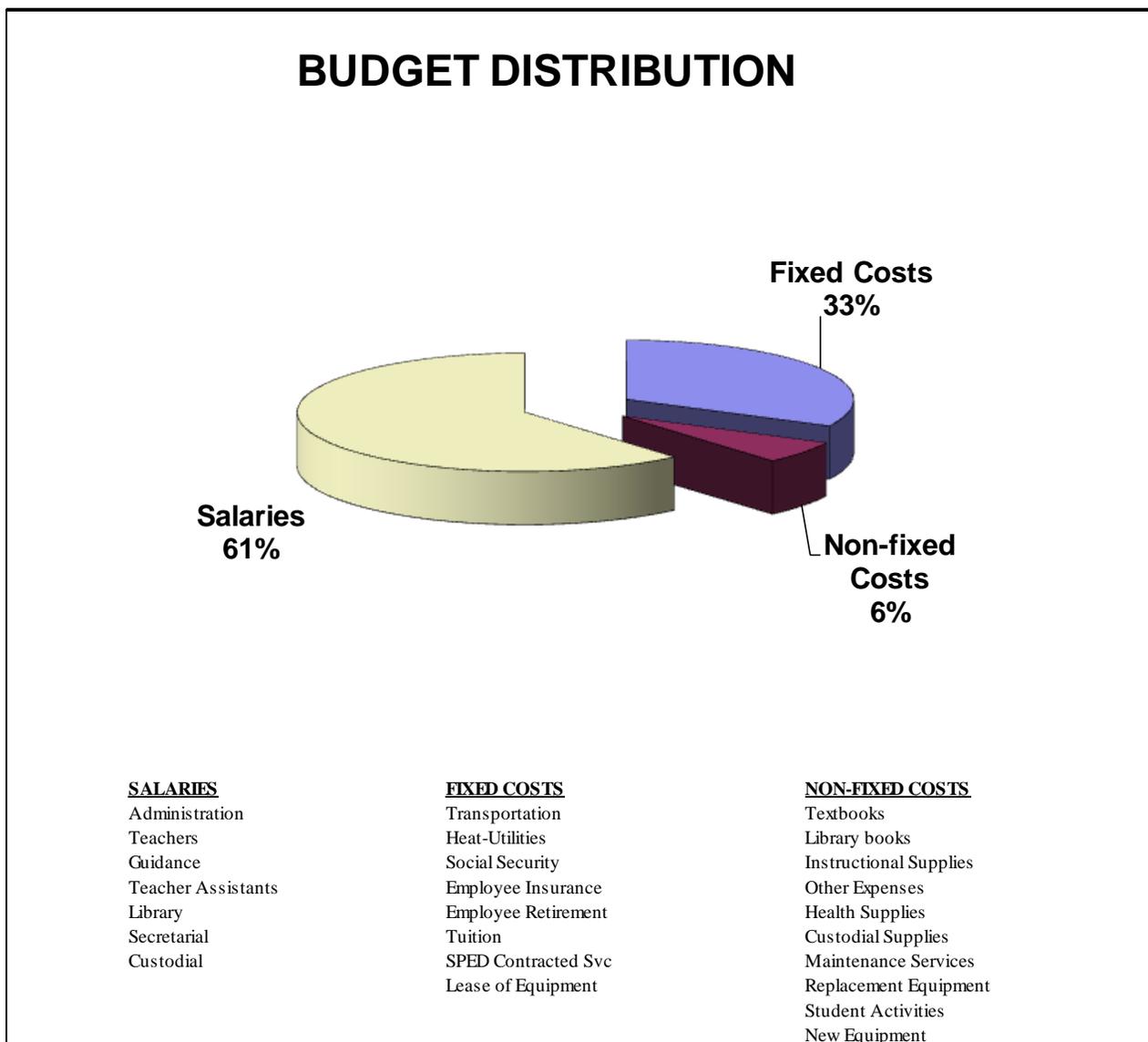
1. Based on October 1, 2018, enrollment data
2. The State Department of Education now considers Wheeler a grades 6-12 high school.

FINANCIAL REPORT FOR THE 2018-2019 SCHOOL YEAR

The total Board of Education (non-grant) expenditures for the 2018-2019 school year were **\$13,507,925**. These funds were allocated across three categories as follows:

Salaries:	\$	8,224,674
Fixed Costs:	\$	4,285,782
Non-Fixed Costs:	\$	997,469

The approved 2018-2019 budget was **\$13,514,959** leaving an unexpended balance of **\$7,034**



Fixed Costs	\$	4,384,928
Non-fixed Costs	\$	833,022
Salaries	\$	8,297,009
	\$	<u>13,514,959</u>

LAND USE COMMISSIONS/DEPARTMENTS

Planning, Development and Zoning Official: Juliet Hodge
Land Use Assistant: Cheryl Konsavitch
Building Official: Bob Roraback/Ed Diamond/Earl Dean

Contact: 860-535-2877 Ext. 127
Contact: 860-535-2877 Ext. 126
Contact: 860-535-2877 Ext. 118

Planning and Zoning Commission

Member	Title	Staff	Title
Lou Steinbrecher	Chairman	Cheryl Konsavitch	Land Use Assistant
Ann Brown	Vice Chairman	Juliet Hodge	Planning Development and Zoning Official
Joseph Siner	Secretary		
Lisa Wood	Regular Member		
Connie Berardi (date)	Regular Member	Regular Meetings were held throughout the year which included 7 Public Hearings (primarily to discuss proposed amendments to the Zoning Regulations).	
Wayne Wilkinson	Regular Member		
Pat Lewis	Alternate		
Connie Berardi	Alternate		
Rod Porter (date)	Alternate		

PLANNING AND ZONING	Approved 2018-2019	Actual 2017-2018	% used
Salary – SPZEO	\$73,440.00	\$73,440.12	100%
Wages – Administrative Assistant	\$42,120.00	\$40,115.32	95.2%
Operating Expenses	\$7,000	\$5,540.00	79.1%
Travel Expenses	\$500	\$421.01	84.2%
Attorney	\$10,000	\$10,000	100%
Contracted Consulting	\$5,000	\$4,500	90%
PZ Contracted Planner	\$1	\$0	0%

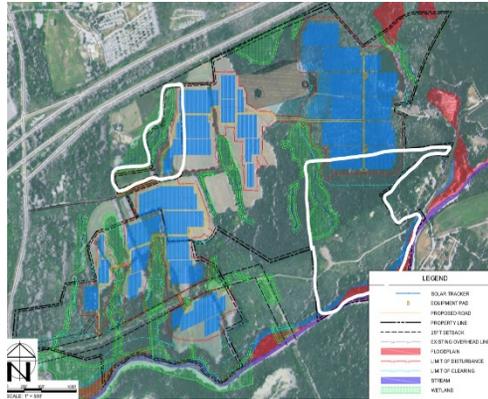
LAND USE APPLICATIONS SUBMITTED	TOTAL
PZC COMMISSION REVIEW	
Site Plans	1
Subdivisions	0
Special Permits	3
Excavation Special Permits	0
Regulation/Map Amendments	4
8-24 Review	4
ADMINISTRATIVE ZONING PERMITS	
Single Family/Duplex Residences	11
Lot Line Adjustment	3
Free Split	2
Home Occupation	3
Change Of Use/User	4
Land Disturbance	0
Accessory Use/Structure	53
Sign	6
Agriculture	5
General Zoning Permit	4
TOTAL LAND USE APPLICATIONS SUBMITTED FY 2018-2019	103

The Planning and Zoning Commission had an Operating Budget of \$138,061.00 and spent \$134,016.45 or 97%.

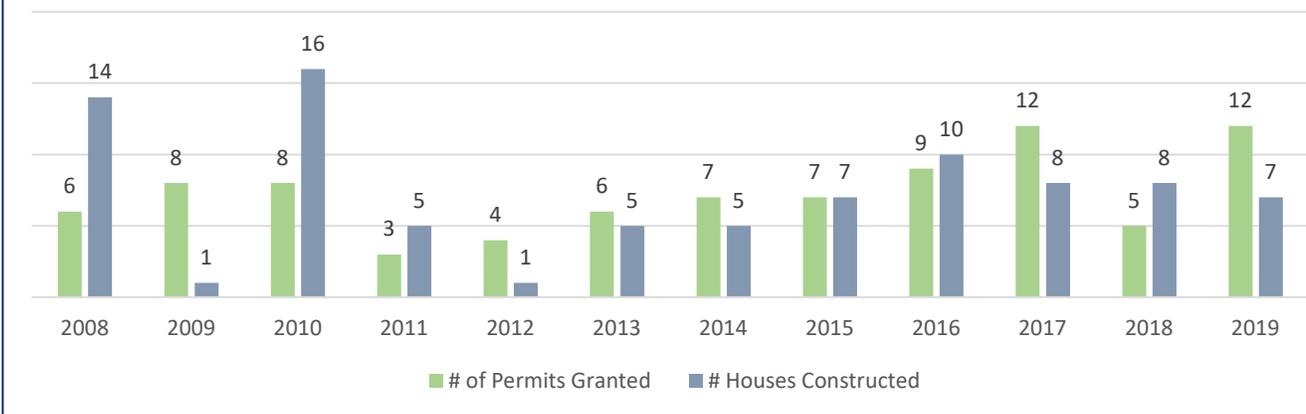
In FY 18-19, there were 6 fewer Applications received than last year. In addition to the permits listed to the right, the Land Use Department received 4 Wetlands Applications, 3 Applications for Variances; 2 Appeals to a Zoning Official’s Decision, and 1 Application for Location Approval for a Motor Vehicle Repair Shop. In total the Land Use Office approved over 80,000sf worth of construction.

The Commission had four “8-24 Reviews” this year brought to them by the Board of Selectmen - to recommend the use of the Town-owned parcels on Wintechog for a Community Solar Project, and also for a community-driven housing development, both of which were approved and the sale of 123 Clarks Falls Rd. – also approved. The PZC did not recommend the sale of the 3 Town-owned lots in the Village.

The PZC approved a 9,224sf Dollar General off Exit 93; a 2,100sf expansion of Dr. Pecher’s Wellness Center in the Holly Green complex; a 2,204sf commercial building for a landscaping business off of Pendleton Hill Rd; new 27,000sf warehouse at 75 Frontage Rd.; Coronal Energy received Town and CT Siting Council approval for a 100+ acre Solar Farm off of Ella Wheeler Rd.



Houses Approved and Constructed 2008-2019 (as of 12/2019)



The Planning, Development & Zoning Official attended the following training/events:

- CERC Economic Development Training (Event held for all Boards & Commission)
- State Historic Preservation Organization – Seminar on grant programs
- NS Affordable Housing “Lunch & Learn” Seminar
- SNEAPA Conference (Hartford) (Regional Planning Conference)
- CT Conference of Municipalities – Annual Conference
- Open.gov Software Training
- seCTer Webinar – Data Driven Success in the New Year
- TAP Seminar – SCCOG (Transportation Grant)
- CCAPA – Land Use Law Seminar
- iWorQ Permitting Software Training
- NSAHC & KNSA Event – Speaker: Michael Santoro from DOH and A. Kennedy from SCCOG
- seCTer Annual Meeting
- **CT Mortgage Brokers Association’s Awards Ceremony for NS Affordable Housing Committee**

The Following Map and Text Amendment Applications were acted on during FY 2018-2019:

Date	Application #	Detail
9/14/2018 Approved	18-065	Change parcel Map #112, Lot# 7790 from R60 back to HC, change parcel Map #94, Lot #5630 from R60 to R80; Change boundaries of the current Village Preservation Overlay Area (VPOA) to match Historic Village Map included in National Register of Historic Places Inventory affecting the following parcels: Map #109, Lots #5881, 5292, 4317, 1666, 9924, 3249, 9256, 6356, 1509, 9626, 8810, 8044, 9100, 0300, 7362, 3554, 0845 & 7195
W/Drawn 12/2018	18-083	(1) Revise Section 1004 (Country Inn) specifically Sections 1004.1 (Intent) and 1004.2(G) and (L) (General Provisions) to eliminate the requirement that a Country Inn be located on a parcel accessed by a "Primary Road" (per Town Road List); reduce the minimum acreage from 6 acres to 4 acres; & require SPP if events are considered after initial approval. (2) Revise Section 502 (Permitted Uses) to require a SPP for a Country Inn in the R80 Zone. (3) Revise Definition of Farm Winery to indicate minimum acreage is ten acres not 25.
Denied 4/11/19	18-107	Ch.10 Supplemental Regulations - Section 1001.3(C) Non-Agriculturally Related Uses & Section 1001.3(D) Farm-Brewery (SPL) to require a SPP; Chapter 5-Residential Zoning Districts Section 502 Permitted & Special Permit Uses; Agricultural Uses,
7/25/2019 Approved	19-045	MA/TA for two (2) existing commercially used lots in the R-40 Zone (1 Mystic Rd., & 339 Norwich-Westerly Rd., to a new zone Village Commercial (VC). Specific sections to be amended/added are: Ch. 1, Section 104 (Zoning District & Overlay Areas); Ch. 4 (Dimensional Requirements) Sections 401, 402.2, 403, 404.1, 405.1 & 406; Ch. 6, Sections 601.1 (Purpose) & 602 (Permitted & Special Permitted Uses

The Planning and Zoning Commission focused on the following during the fiscal year:

After identifying its top priorities with respect to implementation of the 2013 Plan of Conservation and Development, the Planning and Zoning Commission focused the majority of its efforts on several changes/additions to the Zoning Regulations. The most significant change was re-zoning the western end of Rte. 2 from Residential to Resort Commercial to attract investment to the under-utilized and undeveloped parcels that are suitable for development and to facilitate coordinated development that complements existing development in the area immediately surrounding Foxwoods Resort Casino, which includes parcels in Ledyard and Preston. This regulation change allows a few additional uses new to North Stonington some of which were extended to the existing Economic Development District as well. These new uses include: Structured Parking Facility, Condominiums and Time Share Units, Outdoor Recreational Facility and Luxury RV Park.

Second, with the help of the Affordable Housing Committee and Milone and MacBroom, we have completed a conceptual plan for a possible affordable housing development on a small portion of the town-owned parcels off Wintechog Hill, preserving over 70% as open space for passive recreation. This plan was given to the Eastern CT Housing Organization to complete a pro-forma so that we may continue to move forward on this work started several years ago.

Also in keeping with the housing goals in the POCD, a new regulation to permit Micro-Assisted Living Facilities was also adopted. The facilities will be restricted to a maximum of 16 residents all capable of self-preservation. The size of an accessory apartment was increased if located over a garage or if associated with an existing home that is less than 1,200sf., and interior lots no longer need double the required front setback distances.

A great deal of effort has been made to streamline the permitting process and provide excellent customer service in the Land Use Office. The Building Department was merged with the Land Use Department so that residents and contractors can submit permits and speak to staff during regular business hours and additional evening hours as well. Land Use Fees were amended in May 2018 to reflect increases in the cost of advertising and overhead. The fees were last updated in 2009. The

Land Use Department has begun using a new Permitting Software program to further our efforts of improving customer service and streamlining the approval process.



2019
DRAFT STRATEGIC PLAN
TOWN OF NORTH STONINGTON



The First Selectman, Chair of Board of Finance, the Administration & Finance Officer, and Planning, Development and Zoning Official worked together to create the 2019 Strategic Plan for the Town that was presented at the Town Meeting in May. The PDZO attends bi-monthly Leadership Meetings to work on implementing the plan.

Next fiscal year will see a big change in the structure of the budget. All the Boards and Commissions staffed by the Land Use Department will be under one combined line item: B34 (Land Use). This Land Use Budget will include the Building Department and WPCA budgets as well. EDC will remain separate. This is being done to acknowledge the overlap in staff and resources used, and to provide a more accurate account of each separate Board and Commission

or Departments' expenses and revenues and how they relate to the Land Use Department as a whole.

Regional Planning and Development

The PDZO continues to serve as a member on the Southeastern CT Enterprise region (seCTer's) EDC and newly formed

Types of Businesses Permitted 2013-(July) 2019	2013	2014	2015	2016	2017	2018	2019	
Commercial/Professional Service	3		4		5	1		
Retail	1		1	1		1	1	
Hospitality	2	2		1		2	2	
Manufacturing/Warehouse Distribution		1	1	1	1		1	
Personal Services/Medical/Office	1	1			1	1	1	
Excavation	1				1			
Utility/Industrial					1		1	
Total	8	4	6	3	9	5	6	
New Construction	2	1	0	2	2	2	2	
Occupied Vacant Space/Renovated Space	9	3	9	1	7	3	4	
Home Occupations	3	2	3	1	4	2	3	Total SF
SF New Construction (Excluding Solar)	13,700	33,000	0	8,500	2,200	39,000	4,500	100,900

SECT Collaborative, which was created to find ways to meet EB's needs for housing, labor and supply companies. Staff also attends quarterly Regional Planning meetings at the Southeastern CT Council of Governments when possible.

~ Juliet Hodge,
Planning Development and Zoning Official

Building Department

Staff	Title
Robert Roraback, (until 10/8/18)	Building Official
Louis DiCesare (filled in from 10/16- 12/19/18)	
Ed Diamond (12/19/18 – 2/11/19)	
Earl Dean (2/6/19 – 9/27/19)	
Ryan McCammon, LLHD/Alyssa Brochu	Ledge Light Health District
Cheryl Konsavitch	Administrative Support

Having the Building Department located in the Land Use office has worked well given the *excellent* clerical support provided by the Land Use Administrative Assistant. Had it not been for excellent teamwork, and Lou DiCesare's willingness to

help fill the gap, the department would have not survived the unusually high turnover in Building Officials during the year. Mr. Roraback left in October 2018 after being with the Town for a little more than a year and former B.O. Lou DiCesare filled in until we hired Ed Diamond. Ed was offered a Full Time position elsewhere shortly

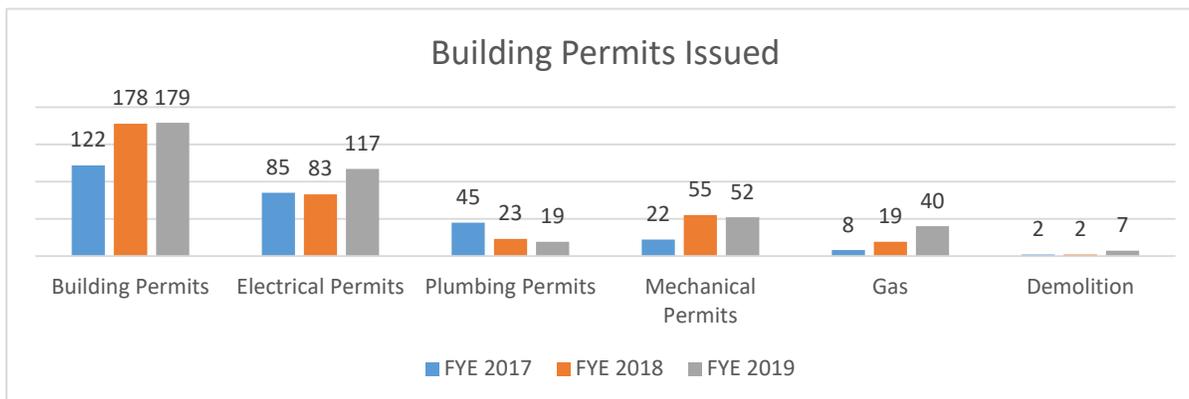
BUILDING DEPARTMENT	Approved 2018-19	Actual 2018-19	%
Salary –Building Official	\$37,128.00	\$28,415.73	76.5%
Operating Expenses	\$3,500.00	\$2,313.08	66.1%
Travel Expenses	\$200.00	\$39.52	19.8%
Clerical Stipend	\$2,500.00	\$2,500.00	100%
Building Department Total	\$43,328.00	\$33,268.33	76.8%

after accepting the North Stonington position and decided to take it. Earl Dean was hired in February, and provided daytime hours similar to those provided by Mr.

Permit Type	# Issued	Fees Collected
Building Permits	179	\$ 54,635.14
Electrical Permits	117	
Plumbing Permits	19	Estimated Construction Value
Mechanical Permits	52	
Gas	40	\$ 9,036,513.83
Demolition	7	
	414	Total Permits

Roraback. Miraculously, all permits were handled without delay, and the department was able to weather all these unplanned staffing changes.

Overall, the town saw an increase in 4 of the 6 types of permits issued. Of special interest is the number of demolition permits issued, as this is generally associated with blight removal and re-development/investment in a property.



The reduction in salary off-set the increase in operating expense and clerical stipend, resulting in an actual year-end total that was approximately \$10,000 under budget.

In the midst of all the staffing changes, the Land Use/Building Department was able to make the switch to the new iWorQ Permitting Software in June of 2019.

~ Juliet Hodge,
Planning Development and Zoning Official

Economic Development Commission

Member	Title	Staff	Title
Brett Mastroianni	Chairman	Juliet Hodge	Economic Development Coordinator
David Isom	Vice Chairman	During the 2018-19 fiscal year, the EDC held 4 Regular Meetings, 6 Special Meetings and 1 Workshops.	
Toula Balestracci	Secretary		
Dugan Tillman-Brown	Treasurer		
Paul Simonds	Regular Member		
Lisa Wood	Regular Member		
Jennifer Anderson (3/2019)	Regular Member		
Salvatore Cherenzia, IV	Regular Member		

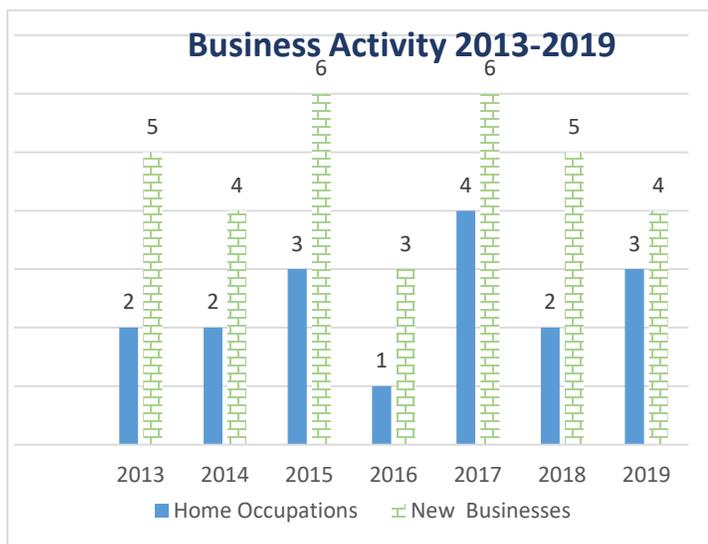
EDC	Approved 2017-2018	Actual 2017-2018	% used
Operating Expenses	\$15,000	\$1,354	9.0%
Memberships	\$2,154	\$2,154	100%
Consulting Services	\$500	\$0	0%
Total	\$17,654	\$3,508	20%

The Economic Development Commission had an operating budget of \$17,654.00 in FY 2018-2019.

The budget increased this year primarily to fund a Marketing Brochure, Map promoting the town assets and promoting local businesses, a Business Beautification Program and to start a Farmer’s Market.

Funds used included the following items/activities:

- Buying planters for the Beautification program
- Purchasing a comprehensive data report
- Creating a marketing brochure with Miranda Creative
- CERC Training Event at Lake of Isles



Economic Activity FY 2018-2019

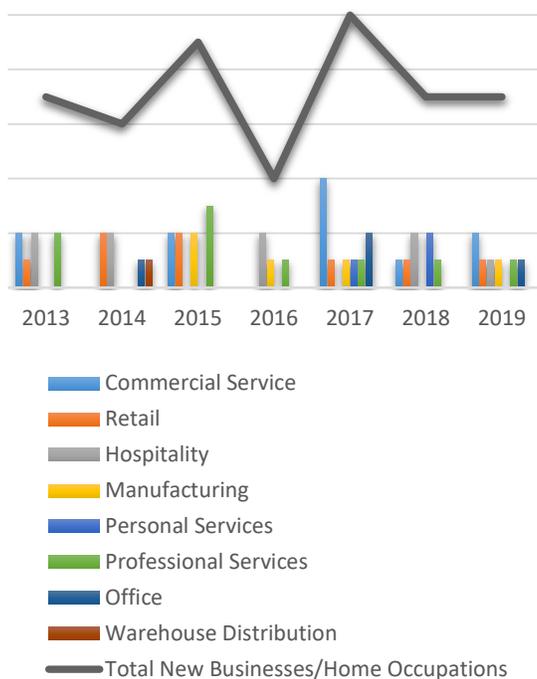
Approximately 80,000sf of construction/renovation was approved in FY 18-19. This included 11 new single-family residences, a solid indicator of economic well-being and growth. A total of 38,548sf of new commercial development.

- The Dollar General Store off Exit 93, and the new warehouse that houses Barton & Gray Mariners Club on Frontage Road were both completed in October 2018.
- Faria Beede officially moved in to the Quinlan Enterprise facility on Frontage Rd.
- A new 4,500sf machine shop/ repair facility and Gas Station/Convenience store were both approved – Not built yet
- Dr. Pecher has opened a Wellness Center in the former Mohegan Tribal Council office in Holly Green.
- The Red Onion and Jake’s opened in 2018, occupying buildings in the Commercial Zone formerly occupied by the Green Onion and Goodies.



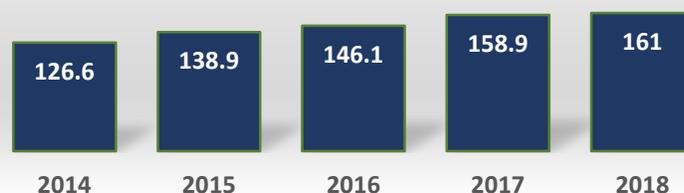
New Businesses by Type

since Adoption of 2013 POCD



The EDC supported the Planning and Zoning Commission's application to rezone the Western End of Rte. 2 to facilitate new investment, and application of Ron Lewis to rezone two currently non-conforming parcels just outside of the Village, from residential to "Village Commercial. Both changes were approved by Planning and Zoning. This latter change will allow the businesses to become conforming and thereby be permitted to make improvements/expansions etc.

CT Town Economic Index Score 2014-2018



Congratulations to North Stonington for having the highest CT Town Economic Index "score" in 2014, 2015, 2017 and 2018 and the second highest in 2016. North Stonington saw the fastest growth among towns with a population under 25,000.

EDC Initiatives in the Planning Stages:

- **Business Enhancement matching Grant Program** to assist local businesses and facilitate renewed investment in key commercial properties resulting in an overall improvement in appearance and value. Planters and flowers were added to the new Recreation Department building. Planters were added to the Holly Green Plaza.
- Hosting business open houses, building business awareness, and being a resource for businesses. Plans are underway to create a Business Visitation program.
- **Farmer's Market Subcommittee** formed to start planning a not-for-profit year-round farmers market. The Commission is exploring possible locations and the possibility of hiring a Market Master to manage the operations of the market.
- **Town Map project** to highlight local businesses and town assets and places of interest
- New Website, gotonosto.com is still under development.

Marketing Efforts:

One of the most successful efforts during the 2018-19 FY was in marketing.

- A new logo and slogan for the town and a promotional video showcasing the town were both approved by the EDC for use in marketing (both created by also created by the 1st Selectman.
- The Commission contracted with Miranda Creative to create a marketing brochure for the Town. This was completed in July 2019.

Outreach and Training Events

The EDC hosted 2 events this fiscal year. The first was a training for all Boards and Commissions, facilitated by the CT Economic Resource Center (CERC) to learn about their role in Economic Development. The second was a networking event with local commercial realtors and developers to learn about Town initiatives and to discuss the potential uses for the available commercial properties in town.

~ Juliet Hodge, Planning Development and Zoning Official

Zoning Enforcement

Staff	Title
Juliet Hodge	Planning, Development & Zoning Official
Cheryl Konsavitch	Land Use Assistant/ ZEO Technician

Most of the zoning enforcement over the last year has focused on closing cases opened in prior years. One longstanding open case was resolved (in the Town's favor) and another long outstanding case is pending in the courts. Blight continues to be a focus. The former 95 House and Gary's Restaurant were both finally demolished, and 6 other blight cases were closed during the FYE 2019. 17 new enforcement cases were opened this fiscal year, (5) of which involved junk and debris and unregistered/inoperable vehicles – of which 2 also involved an unpermitted activity; (7) unpermitted signage; (1) unpermitted use of a property; (1) Building without a permit; (1) Unpermitted Apartment, and (2) using an RV as a residence.

Cases opened in FY 2018 - 2019	17	Resolved	12
		Remain Open - Active	5
		Remains Open - Active - Referred to Attorney	0
		Remains Open – In litigation	0
		Remain Open - Inactive	0
Cases Opened in Previous Years	27	Resolved FY 18/19	8
		Still Open - Active	4
		Still Open – Active - Referred to Attorney	1
		In Litigation	0
		Still Open - with ongoing enforcement resolution/ Stipulated Agreements – Monitoring for compliance	5
		Still Open Inactive	6
		(3 of the 6 inactive cases are not likely to be resolved)	

Court Appearances: 1/31/2019

Unpermitted Apartments: 32 Denison Hill Rd. (Superior Court); 4/29/19 Show Cause hearings for 32 Kingswood Dr. and 272 Pendleton Hill Rd. Junk and Unregistered MV Cases.

Zoning Board of Appeals

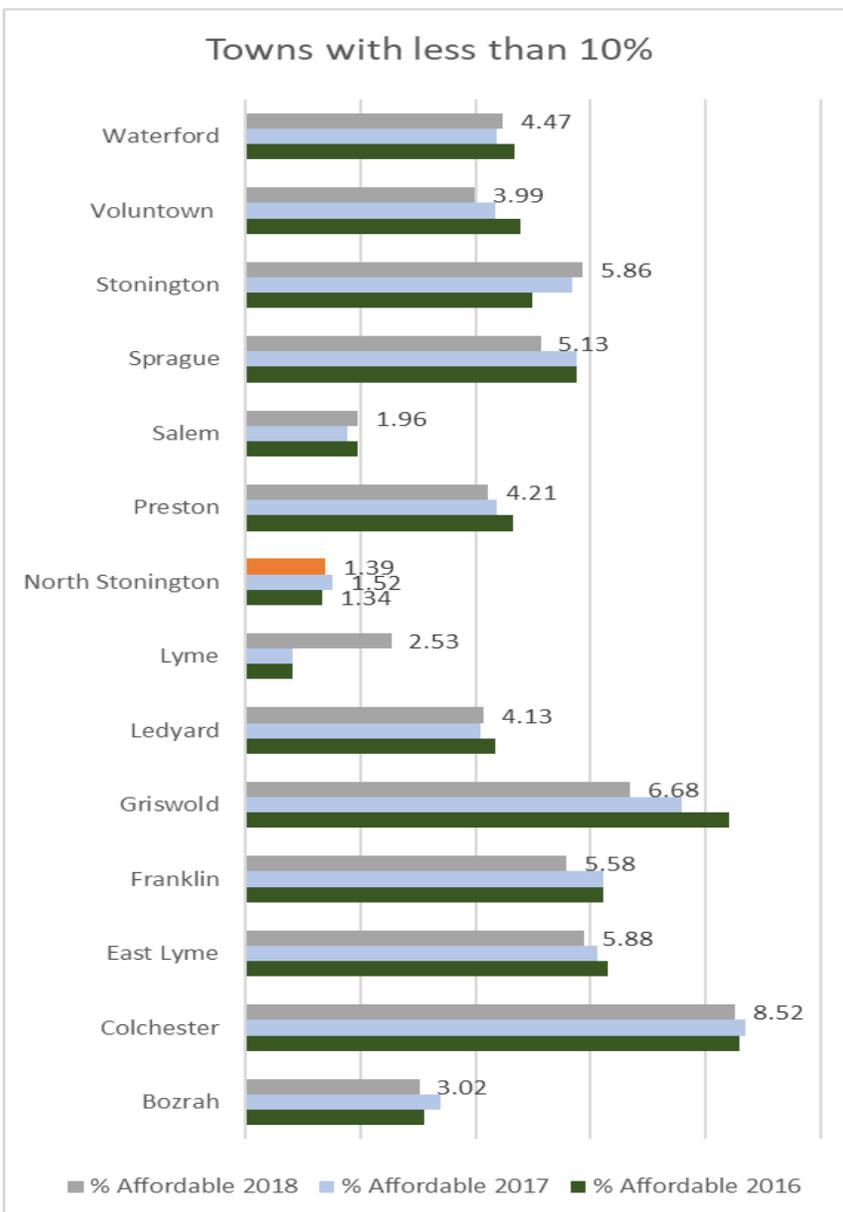
Member	Title	Staff	
Charlie Burger	Chairman	Cheryl Konsavitch	Land Use Assistant
James Lord	Vice Chairman	Juliet Hodge	Planning, Development & Zoning Official
Robin Hall	Secretary		
Mark Leonard	Regular Member	There was 1 Vacancy for an Alternate Member. The ZBA had an Operating Budget of \$1,000 of which they spent \$1,000 for meeting notices and attorney fees.).	
Candy Palmer	Regular Member		
Shawn Murphy	Alternate		
Gary Thompson	Alternate		

Only one (1) application was received during FY 2018-2019 and 2 meetings were held. The lone application was for setback relief at a lake property to allow an already constructed deck to remain. The Variance was denied.

~ Juliet Hodge,
Planning Development and Zoning Official

Affordable Housing Committee

Member	Title	Staff	
Margaret Leonard	Chairman	Juliet Hodge	Planning, Development & Zoning Official
Mary Ann Ricker	Vice Chairman		
Laura Degoursey	Secretary		
Betty Ann Russ	Secretary		
Ellen-Flannery-Schroeder (Resigned in 2019)	Regular Member		
Patrick Colgan (End of 2018)	Regular Member		



The Affordable Housing Committee had an Operating Budget of \$700 for FY 2018-2019 of which they spent \$545.93 or 78%. The Committee held (7) regular meetings, (1) Special meeting, and (2) workshops.

The following chart shows the number of “affordable housing units” as determined by the CT Department of Housing and published on the Annual Affordable Housing Appeals List. The majority of units that qualify towards the state mandated 10% Affordable Units are units with CHFA or USDA Mortgages. The “qualified affordable units” consist of (7) deed restricted units, (25) CHFA/USDA Mortgages, and (1) Tenant Rental Assistance, for a total of 33 qualified units. Although North Stonington still falls very short of the 10% state mandate, the Town’s Affordable Housing Committee was recognized by Connecticut Mortgage Bankers Association for their *Outstanding Achievement for Providing Affordable Housing Opportunities for Connecticut Residents*.

The Wintechog Hill Affordable Housing Project moved to the next stage. Eastern CT Housing Opportunities were hired to do a pro-forma based on the concept plan from Milone & MacBroom and other scenarios.

This information will be presented to the Planning and Zoning Commission for consideration on whether to

continue with the project and be used to further refine the Concept Plan. On June 13th, the North Stonington Planning and Zoning Commission took action to pass the possible sale of approx.11 acres of the 100+ acres of town-owned land on Wintechog Hill Road for the development of Affordable Housing.



The Committee continued to focus on education and outreach this year and hosted 4 formal public events to engage the community in conversations regarding housing needs in our community. A Lunch and Learn event held in September 2018 with speakers from the Connecticut Housing Finance Authority; Prospective homebuyers were invited to a free spaghetti dinner at the North Stonington Congregational Church in October 2018 to discuss mortgage options .In April of 2019, the State of Connecticut’s Director of the Department of Housing, Michael Santoro, spoke on the “Development of Community-Themed Housing in North Stonington: Where we are and Future Plans”; Michael Santoro returned in June 2019 to present information about affordable housing. In addition to these events tables staffed with NSAHC Members were also set up at the Primary Day Pie and Coffee event and the NOSTO Fest. The Committee members also attended an *All Boards and Commissions* training event in November 2018 to learn about their role in Economic Development.



Affordable Home: Watson Estates Subdivision

Work began on the 2019 Housing Plan for North Stonington. A draft is currently being finalized. A plan is required to be adopted and updated every 5 years per a new State mandate in order to qualify for funding for housing initiatives and outreach.

Work continues on drafting a town ordinance for a possible tax abatement for affordable housing which would codify Ct. State Law 8-215 and be brought to a town meeting. This work is ongoing. Initiatives for 2020 include working on a way to incentivize property owners with unpermitted apartments with amnesty in exchange for deed restriction on any unpermitted unit (provided they comply with all applicable Code requirements).

KNSA held a successful fundraising gala on January 20th at the Wheeler Library- many thanks to the generosity of the people who ventured out on a stormy day to support their event and efforts to provide affordable housing in town.

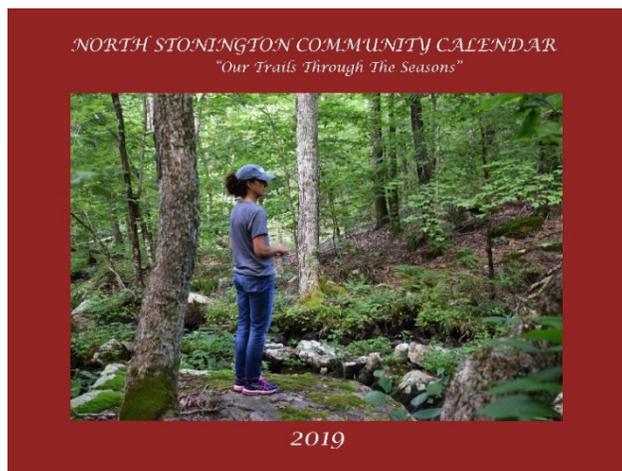
Respectfully submitted,
Margaret Leonard, Chairman

Conservation Commission

Member	Title
Bill Ricker	Chairman
Mike Charnetski	Vice-Chairman
Dr. Steve Colgan	Secretary
Doug Farrand	Member
Dr. Arnie Vlieks	Member
Robert Degoursey	Member
Dr. Jason Mancini.	Member

The Commission held 7 regular meetings and 2 special meetings, one of which was a site walk to see the land Avalonia was considering for purchase. Members also inspected several Town-owned Conservation Easement Areas.

Approved 2018-2019	Actual 2018-2019	% used
\$ 2,000.00	\$ 1,626.84	81.3%
REVENUE	\$ 1,030.00	



Achievements Fiscal Year 2018/19:

An interactive map of all the municipal, private and state owned trails in town has been produced. The stand-alone 3' x 5' map (total approximate cost: \$100) allows the user to identify the trail head signs pictured, and by pressing a button will have an LED light show its location in town. It has already been displayed at NoSto Fest, is currently (November) on display at Chelsea-Groton Bank and will be transferred to the Historical Society at the state-wide annual meeting of the Land Conservation Council in December. It will further be displayed at the Wheeler Library and schools in the new year.

The 2019 Community Calendar theme, "The Trails of North Stonington" and this interactive trail display map are aides for the public to learn about, recognize the uses of, and appreciate the abundant 7,368 of our towns 35,160 acres, nearly 1/5, in conservation protection (not including 10,421 acres in temporary agricultural 490 Forest and Farm designations).



This effort compliments the interactive map semi-permanently housed at Chelsea-Groton Bank at their request.

Our attempts to develop increased educational outreach initiatives included not only the above-mentioned bank display, but material at the library, articles in the Quarterly, a booth at NoStoFest giving free conifer trees to children, and the annual Community Calendar, produced and printed at no expense to the town.



We have explored the use of Google Earth as a tool in monitoring the 52 open space and private conservation easement parcels in town. Instead of trying to walk every parcel as in the past, staving off ticks and swamps in the process, a workshop allowed us to learn to rely on 300' elevation Google Earth flyovers. If an anomaly is seen a site walk follows.

Our goal to add a canoe/kayak trail along the newly federally designated wild and scenic Pawcatuck River is on hold until the Boombridge Road bridge is complete. That spot is the ideal “put-in” location for launching. Our goal is to hook up with an existing water trail created by Westerly’s Conservation Commission. We organized a meeting with the leadership of Westerly and Stonington to share our plan and solicited their support.



Halfway through the 10-year POCD cycle, we have updated a list of properties we would like to acquire to add to our three wildlife/greenway corridors. After considerable work and research, we were disheartened with the town meeting vote, a 4-vote margin, on sharing some of our stagnant Land Acquisition Funds with Avalonia to secure a large 85-acre parcel protecting the aquifer along the Green Falls River. This was one of the significant parcels we identified was important for the town to “acquire”, yet were unable to convince the few publics in attendance.

We were able to research many Connecticut towns ordinances regarding their use of similar land acquisition funds and worked with the BOS in writing and having passed at a town meeting by one vote, an ordinance defining the use of these funds for us in the future.

Our goal of investigating future mapping of town trails and accurately determining the perimeters of town owned properties is halted as the GPS guidance system owned by the town is too old to secure parts and the cost for a new system expensive. Hopefully either a cost sharing or outright purchase of this necessary equipment will be available in the budget.

Lastly, the Conservation Commission took the lead in researching and bringing to the BOS, experts advocating the adoption of a fracking ordinance for North Stonington. These efforts were fulfilled with the passage of this ordinance at our October town meeting.

Gratifyingly, we have surpassed the goals we established for 2018/19.

*Respectfully submitted,
~Bill Ricker, Chairman*

Inland Wetlands & Watercourses Commission

Member	Title	Staff	
Mark Griggs	Vice-Chairman	Cheryl Konsavitch	Land Use Assistant
Ron Lewis	Member	Wayne Berardi	Wetlands Enforcement Officer
Cody Bill	Member	The Inland Wetlands and Watercourses Commission held 9 Regular Meetings, 2 Workshops, and held 1 Site Walk during FY 2018-2019. They reviewed 7 applications. Their operating budget was \$8,207.00. A total of \$248.80 was spent for the year on advertising (meeting notices).	
Asa Palmer (until 1/2019)	Member		
Candy Palmer (until 1/2019)	Member		
Robert Miner	Member		
Kevin Geary	Member		
Marvin Chase Jr.	Member		
Eric Offen (Appointed 4/2019)	Member		

IWWC	Approved FY 2018-2019	Actual FY 2018-2019
Operating Expenses	\$ 750.00	\$ 248.80
Salary-Enforcement Officer	\$ 7,457.00	\$ 7,457.04
Total B17	\$ 8,207.00	\$ 7,705.84
Total Revenue	\$ 784.00	

Water Pollution Control Authority

Member	Title	Staff	
Bradford Currier	Chairman	Juliet Hodge	Planning, Development & Zoning Official
Carl Johnston	Vice-Chairman	The WPCA held 5 Regular Meetings and 3 Special Meetings during Fiscal Year 2018-2019. The WPCA had an approved budget of \$7,000 of which they used \$2,942.50 or 42%	
Robert Boissevain	Member		
Andrea Sadowski	Member		
Ryan Mason	Member		

The primary goals during the fiscal year were to update the last completed Sewer Study in preparation for resuming negotiations with Stonington to tie into their Sewer System. Weston & Sampson Engineering were selected to provide on-call engineering services for the town and will be completing the sewer study. Initial phases and projected flows have basically been determined, but may change depending on proposed developments. A multi-faceted approach may be needed to provide the necessary infrastructure to support development in the Sewer District. The town may need to partner with a developer to build a treatment plant for certain areas of town and rely on an eventual tie-in to Stonington for other areas of town needing sewers. Weston and Sampson will be tasked with drafting a formal facilities plan to begin late 2019.

The WPCA is also working with KOA and the Town of Westerly on a feasibility plan to connect the KOA campground to the existing Westerly water line that terminates at Frontage Rd. currently. Initial hydrant pressure tests have been completed. W&S completed the mapping and projected flow needs and Engineers from Westerly have completed the testing/modeling and determined that there is sufficient water for KOA's need.

Members of the WPCA hope to create an informational brochure in 2020 to socialize the idea to introduce water and sewer infrastructure into select areas and discuss the potential benefits to the economy and environment.

~ Juliet Hodge, Planning Development and Zoning Official

HEWITT FARM COMMITTEE

Background

In the fall of 2008, the Town of North Stonington purchased the 104-acre Hewitt Farm property from Mystic Seaport for \$622,890. The property was fully paid for by January 2014. This was the town's first major purchase of open space.

In December 2008 a "Hewitt Property Committee" was appointed by the Board of Selectmen to define the rules and regulations for the use of the property. The committee's goal was completed when their 28 recommendations were approved at a December 15, 2010 Town Meeting.

In May 2011, a new "Hewitt Farm Committee" was appointed by the Board of Selectmen to manage and oversee the property.

The Hewitt Farm Committee's Mission

- ❖ Maintain the property as a fine representation of traditional New England beauty
- ❖ Encourage passive recreational use of the natural environment
- ❖ Initiate enhancements that fit New England traditions
- ❖ Continually encourage community appreciation of Hewitt Farm and seek public input

Members of this committee are appointed on an annual basis. The members during the 2018/2019 fiscal year were Brian Banker, Jack Brown, Tim Chokas, Ed Harasimowitz, Nita Kincaid and Alternates Ellie Banker and Deirdre Tavares.

Further useful information about the Hewitt Farm can be found on the Town website at



<https://www.northstoningtonct.gov/hewitt-farm-committee>,
as well as from the signs and trail map boxes on the site.

Accomplishments During Fiscal 2018/2019**Property Maintenance and Improvements****Greene Gables**

Greene Gables was located on the Hewitt Farm at 8 Hewitt Road. It was believed to have been built in the early 1900s and was owned by artist and photographer Fred Stewart Greene from 1911- 1923. It was also named the Penfield House or Red House Nursery in later years when Ruth Penfield ran the first Montessori School in southeastern Connecticut. In December 2008, when the Town voted on the 28 Hewitt property rules and regulations, item #21 suggested repairs and maintenance for Greene Gables. This was voted down due to the building's poor condition and questionable usefulness for the Town.

From 2012 until 2017, the Hewitt Farm Committee spent considerable time, working with the Board of Selectmen, to find ways to improve the building and make it useful. In September 2017, the question went to a Town Meeting asking whether the Town should empower the First Selectman to take action to abate and demolish the structure. The discussion resulted in a unanimous vote to go to referendum for a decision. The October 2nd, 2017 referendum approved going forward with abatement and demolition.

The town's capital budget line for abatement and demolition of town buildings was used to accomplish the project. The Town hired Eagle Environmental, Inc. for project management (Environmental Consulting, Abatement Monitoring and Construction Administrative Services). The Town next signed a contractor agreement for the project with Murdock Asbestos & Deleading, Inc. on June 7th, 2018. The work done by Murdock began in August 2018 and ended in December 2018. It involved stripping the Greene Gables structure of all hazardous materials and removing them offsite to licensed recipients. Murdock also handled the surrounding soil area that was tested for lead any and other hazardous materials.

When all hazardous materials were removed, the Town's Public Works Department did a very professional job of demolishing and removing the actual structure and leveling the terrain. In the spring of 2019, additional care of the grounds provided a welcome entrance to the Community Garden.

1750 Farm House

When the Hewitt Farm was purchased from Mystic Seaport in 2008, the Farm House was being rented to a family connected to the Seaport; this continued for 10 years. In the summer of 2018, the Town made the decision to not renew the annual lease in December 2018. This step would allow needed improvements to this significant 18th century structure, as well as evaluation of the best use for this building.

In February of 2019, the Hewitt Farm Committee hired Anchor House Inspection for the fee of \$500. The information provided was a "general guide" of possible repairs, but the analysis was not detailed. It was suggested that the repair of a back area of the roof, which was covered by a surface of single flat membrane, should be replaced to avoid leakage into the house. G. A. Denison & Sons of New London completed this repair for \$2900 in June 2019 by installing a "Flintlastic" cover for this area. This is the beginning of repairs.



The North Stonington Historical Society has been helpful in researching the history of the house. It is likely the Gallup family built the house in 1732. It is named after John Dean Gallup who was born there in 1787 and died in this house in 1871. He was a hero of the battle of Stonington Point during the War of 1812. The Hewitt Farm Committee hopes this type of information may help with obtaining support, funding and grants, as well as to determine the best use of the building for the future.

The Hewitt Farm Pavilion

In June 2018, the Democratic and Republican Town Committees joined together to host a fun family event on the spacious 'Green' across from the 1750 Farm House. Folks came to enjoy hayrides, kayaks, games and a cookout. The farm's open space had no shelter from weather, but thankfully it was a perfect day! A silent auction of high quality items was held on site to begin raising funds to add a pavilion at the farm in the future. Donations were generous and a good start to this new project.

At the end of June the Hewitt Farm Committee agreed upon the location and size of the pavilion. There were sufficient funds to hire a contractor to install the pad and that was completed in August. During the summer, fall and winter, Chairman Ed Harasimowitz, members of the Hewitt Farm Committee and Bill Ricker, Conservation Committee Chairman, spent much time evaluating the design, quality and cost of many possible pavilions. In addition, fundraising of all sorts became a priority: grant requests, raffles and letters to supporters.

The final pavilion design was decided in late winter 2019; all committee members were pleased with the choice. It would be made by CTsheds in Berlin, CT. However, there was still need for more donations and the committee needed to reach out for additional financial support.

Fortunately, the North Stonington Recreation Commission recognized that the Hewitt Farm Committee was still seeking



money to finish the pavilion project. In past years the Rec Commission had held events at the farm and they were interested in adding some programs there again. The Rec stepped forward to partner with the Hewitt Farm Committee to support the completion of the pavilion.

As a result, early on the morning of June 24, 2019, Pine Creek Structures arrived at the farm and began assembling the pre-cut materials for the 20-by-40 foot pavilion. The process was completed in less than six hours, though there were finishing touches to be done. Observers were excited! Soon visitors to the farm would

have a place to picnic, relax after a trail walk or organize fun events!

The Importance of Hewitt Farm Supporters

Projects at the Farm

Picnic Point

In May 2019, the Hewitt Farm Committee had a wonderful surprise. Back in 2017, the Doble and Gannotti families had done a miraculous job on an overgrown, nasty section of “That Dam” Trail. They now returned to the farm in the spring of 2019 to clear and spruce up the spot that is named ‘Picnic Point’.



The 4 boys (Ben and Nathaniel Doble with Josh and Sam Gannotti) once again revived a very special place to stop, rest, eat and enjoy the best views of the pond. It is great to have supporters with this energy and commitment!

Boy Scout Troop 71

The North Stonington Boy Scout Troop 71 has continued to identify and complete Eagle Scout Projects at the farm. In 2017 two scouts began and completed their Eagle projects, but both boys had additional steps to take before they could move up to the Eagle Court of Honor. Thus they had to wait until 2018 for their ceremonies.

Scout Nathan Cherenzia built a needed 30-foot bridge crossing on the new Dew Drop Inn Trail. Nathan’s plans were of engineer caliber, clearly drawn and well executed. This will provide good access and safety for years to come. By August 2018, Nathan had completed all his other Eagle requirements. The Hewitt Farm Committee was invited to attend his Eagle Scout Award Ceremony on August 5th and to participate in a memorable event.

Scout Ethan Wiggins completed his project to build and erect fourteen Tree Markers on “That Dam” Trail.. His choices of appropriate trees and locations were good. The signs attracted visitors’ attention, because they provide meaningful information. The addition of an QR Code on each tree enables use of a smart phone to obtain additional facts. This was a creative, educational and nature-friendly project. By 2018, Ethan had completed his remaining Eagle requirements and our committee was again invited to a wonderful Eagle Scout Ceremony on October 6th that honored Ethan for his work.

Both of the above two Scouts received help with their projects from a special member of our Hewitt Farm Committee, Richard (Coop) Cooper. Coop cared greatly about the Hewitt Farm and was happy to help others who felt the same. He spent untold hours on maintaining the trails, some of which he had cleared himself. Sadly, Coop passed away in June 2018. During both Nathan and Ethan’s Eagle Scout ceremonies, each spoke sincerely of Coop’s skills and great assistance.

The Hewitt Farm Community Garden Association

At the end of the 6th year of gardening at the farm, the gardeners held a Fall Festival and Potluck event in October. The Mystic Garland Dancers added to a pleasant afternoon, celebrating a very successful year. All the plots had been used; plants were healthy and abundant in a good growing season!



Garden Leader Steve Aiello and Treasurer Diana Hunt visited the Hewitt Farm Committee in early 2019 to share their 2018 Annual Report. They also described their plans to attract and educate new gardeners. Plot holders were signing up quickly for 2019 and they were well prepared by June for another productive summer!

Monarch Waystation and Butterfly Meadow Enhancement

In early 2019, James Cowen, a soil and wetlands scientist, submitted a proposal to the committee, requesting approval to create a Monarch Butterfly waystation and a butterfly meadow with educational signs. Controlling some selective invasive non-native plants on the farm would also be included. For the beginning of this project, he included a senior Stonington high school student. The committee approved the project after reviewing the locations, but requested periodic updates; this project is likely to go on for more than a year.

Harvesting the Hayfields

On January 14, 2019, Farmer Ron Lewis delivered the 2018 Annual Hayfield Report about the four Hewitt Farm hayfields that he and Mike Daniels cut and care for. Ron stated that they made only one harvest cutting in late June owing to a very dry summer. This was an average hay yield. They decided on no second cutting due to the drought.

The farmers focused on fertilizing all four fields in November and brush hogging the edges of the fields. They also consulted with NRCS (National Resources Conservation Service) on crop yields, fertilizer application rates and brush management to ensure the best crop.

Hewitt Farm Financial Overview

Hewitt Farm Income

A Hewitt Farm “Income” line exists in the budget’s “Other Revenue/Rent for Hewitt Property” and this now provides approximately \$40,000.00 in annual rental income. North Stonington has received \$386,873.00 in this rental income from Hewitt Farm properties between October 2008 (purchase date of the property) and June 30, 2019.

It is important to record each year that two of the farm’s leased properties have date-related escalation clauses:

- The Southeastern CT Water Authority (SCWA) has leased the Hewitt Farm well field since June 1965, with the right to renew for three successive periods of 25 years - 1990, 2015 and 2040. In addition, a rental increase is calculated every five years based on the Consumer Price Index Urban. In January 2020, North Stonington will notify SCWA that they will be charged a new five-year rental amount at the beginning of July 2020. It will be based on the June 2020 rate of the CPI (US Bureau of Standards).
- The Buon Appetito lease was signed in June 2011 with an annual rent of \$19,800.00, locked in for five years through June 30, 2016. On July 1, 2016, the rate increased by 15% to \$22,800.00. As of July 1, 2019, the rent increased to \$24,194.00 (a 3% increase). Each year hereafter the rent will increase by 3% until termination on June 30, 2050.

PRIOR YEARS		
YEAR	INCOME	EXPENSE
2017/2018	\$42,021.00	\$5000.00
2016/2017	42,287.00	\$1838.00
2015/2016	\$39,287.00	\$3280.00
2014/2015	\$37,965.00	\$1,739.00
2013/2014	\$41,292.00	\$3,327.00
2012/2013	\$41,286.00	\$5254.00

Sources	2018/2019 Actual Income
Buon Appetito	\$24,192.00 (7/1/18 monthly rent increased to \$2016.00)
1750 Farm House	\$3,800.00 (House was vacated at end of October 2018. Rehabilitation is necessary)
SE CT Water Authority	\$5,689.38 (Next five year rate increase on 7/1/2020, based on CPU- I)
Hayfields	Annual \$501.00 rent was paid early in 2017/2018
TOTAL	\$35,681.38

2018/2019 Hewitt Farm Expenses

The Hewitt Farm has a \$5000.00 budget line item (“Public Works/Highway/Hewitt Farm) since 2012/2013. This is to be used for maintenance and improvements.

By the end of 2018/2019, the \$5000.00 budget line was \$5010.71. This money was primarily used to begin work on the 1750 Farm House: returning funds to the vacating tenants (\$1478 for security deposit and fuel oil); \$217 to drain the building for winter; \$500 to Anchor Home Inspection to evaluate the condition of the building; and \$2900 to G.A. Denison & Sons for roofing a flat area that needed replacement. Propane and electricity were also necessary expenses.

2018/2019 Capital Projects Fund

The 2016/2017 budget had a “Selectman Capital” funding line of \$60,000.00 entitled “Abatement and Demolition of Town Buildings”. In 2017/2018, an additional \$40,000 was added. On October 2, 2017, the town voted in favor to abate and demolish the structure known as Greene Gables located on the Hewitt Farm property.

In early 2018, Eagle Environmental was hired as project manager to help determine the best approach to the work. Murdock Asbestos was hired to handle all hazardous materials, starting in August and completed by December. The Town’s Public Works Department did an excellent job of demolishing and removing the structure. Total project expenses were \$71,492.00.

Goals for Fiscal 2019/2020

The Hewitt Farm Committee identified the following priorities for 2019/2020:

- Develop a plan for improvements to the 1750 Farm House and identify its best use
- Continue to encourage and support activities and events at the farm by working closely with the schools, town committees and non-profits

NORTH STONINGTON VOLUNTEER FIRE COMPANY

Charles A. Steinhart V, Chief

Kyle Bergel, President

Emergency Contact: 9-1-1

Routine Fire Station: 860-535-0937

The volunteers of the North Stonington Volunteer Fire Company are extremely dedicated group of men and women. Without these volunteers, the Town would indeed be in dire straits. Our (45) volunteers are a precious, but perishable commodity. It is difficult to find volunteers, hard to train and develop volunteers, and harder still to retain volunteers as viable members. The 2018/2019 Fiscal Year has been another, increasingly busy period of time for the North Stonington (all) Volunteer Fire Company, Inc. (NSVFC). We continue the response of supplemental First Responder (Medical Calls) to assist our ambulance in town. By doing this it has increased our calls by nearly (77) incidents. In 2018/2019 we responded to a total of (275) emergency calls during the reporting period.

These calls consisted of:

- Motor vehicle accidents, some involving extrication
- Hazardous materials releases
- Combustibles/flammable releases
- Emergency medical service (EMS) responses
- Structure fires - Motor vehicle fires
- Brush/unauthorized outside fires
- False alarms, including malicious/mischievous
- Lock-outs - Mutual aid assistance to other towns
- Medical assists
- Land-based search and rescue operations
- Water/ice-related rescues
- Residential flooding
- Smoke investigations

During this time our volunteers have taken many training classes to remain proficient in all skills and to become more educated in the services we provide. Our volunteers spend just as much if not more time training as they do responding to emergencies.

During the year we strived to provide the highest level of service to the Town and at the same time keep the cost for services to a minimum. We have worked with the Town on a long rang plane to establish a replacement cycle for all apparatus. This plan is to ensure vehicles are replaced in a timely manner as well as decrease the burden on the tax payer.

As always North Stonington Volunteer Fire Company is looking for new members willing to protect our community as well as those around us. We are especially looking for members that can volunteer during the day time hours. The day time is especially hard to maintain minimal staffing due to members needing to leave town to go to their jobs.

North Stonington Volunteer Fire Company Inc.

NORTH STONINGTON AMBULANCE ASSOCIATION

PUBLIC WORKS

The Town of North Stonington covers fifty-five square miles with sixty-four miles of roadway to maintain. The Public Works Department also operates the Transfer Station and Bulky Waste Area located on Wintechog Hill Road.

Some of the projects the Highway Department performed this year:

- Snow removal of 13 storms, from November 11, 2018 to May 10, 2019. Utilizing 272.12 tons of Road Salt and 941.33 yards of sand. 2 storm caused damage resulting in roads closed and power outages.
- The town produced 3013 tons of household garbage to Preston incinerator, The Transfer Station collected 1925 tons of recyclables, 1925 gallons of used oil, 1520 tires, 23.83 tons of electronics, 64.06 tons of metal, 261 appliances, 882 pounds of florescent light bulbs, 462 mattresses recycled, processed 228 pieces of furniture, 55,250 pounds of paint recycled and 97 propane tanks turned in. Gross income was \$13,503.95.
- House hold hazardous waste day was held on September 9th with 303 citizens utilizing the event which this year include paper shredding.
- A major demolition and reclamation project was completed at the Green Gables property on the Hewitt property was completed with 90 total man hours.
- Rocky Hollow Road was milled and repaved, Milltown Road and Hollowell Road were repaved. Line stripping was completed on all town own roadways.
- New recreation building painting of the interior and exterior was completed with 88.5 total man hours. Also demolition and construction of a new handicap bathroom was completed with 135.5 total man hours.
- The highway department assisted in the new high school building project with 125 total man hours.
- The highway maintains the grounds and assists in repairs within the recreation department. To include taking down setting up volleyball court, basketball nets, tennis nets and soccer nets.
- The highway crew maintains the grounds at the new Center for Emergency Services, new and old Recreation building, Hewitt Farm property, Senior Center, Septic tank behind Buon Appetito restaurant, both new and old Town Halls and the old school house property on Clarks Falls Road. Including leaves removal, mowing and all landscaping.
- The highway crew assists the school department in moving classrooms, parking lot striping, maintaining equipment, generator maintenance, grounds cleanup and snow removal.
- Preparation / assisting with the Memorial Day Parade, North Stonington Agricultural Fair, 4H fair, NoSto Fest and 4 charitable events
- Responded to 6 emergency calls for aid to include icy roads, tree removal and roadway closure issues.
- The highway department assisted in excavation of the site for the new pavilion at the Hewitt Property with 16 man hours.
- Major Gypsy moth damage resulted in 475 dead trees to be removed, YTD 350 trees have been removed, 126 by Highway dept., 157 by Lewis tree service and 67 by Asplundh.

The Department's routine annual projects include road sweeping, basin and waterway drainage cleaning, roadside mowing, placing and replacing signs, painting of stop-bars and center lines, cutting and trimming trees and brush, maintenance of many of the town's cemeteries and chipping brush at the Transfer Station.

The Public Works Department Garage is located at 11 Wyassup Road. The staff works routinely between the hours of 7:00 AM and 3:00 PM, Monday through Friday. If you need to contact us, please feel free to do so at (860) 535-0924 or email

highway@northstoningtonct.gov.

The Transfer Station is located at 215 Wintechog Hill Road. The staff works routinely Tuesday 7:00 AM to 3:00 PM, Wednesdays thru Saturday 8:00 AM to 4:00 PM. If you need to contact the Transfer Station, please feel free to do so at (860) 535-1048.

Transfer station is open to the public:

Wednesday, Friday 12:15 to 3:45

Thursday, Saturday 8:15 to 3:45

Respectfully submitted,
Donald Hill
Public Works Highway Foreman

RECREATION COMMISSION

Recreation Director: Thomas Fabian

Contact: 860-535-2162

Commission Members: Megan Perkins, Emily Mastroianni, Julie McGowan, Michael Delzer, Joseph Potemri, Matt Broneill, Matt Bergel

The North Stonington Recreation Commission holds regular monthly meetings on the first Thursday of each month at the Recreation building located at 267 Norwich Westerly Road and the public is welcome to attend. The meetings begin at 6:15 pm and generally last for about two hours. The agendas and meeting minutes are posted with the Town Clerk. Regular meetings are not scheduled during July or August.

The Recreation Commission makes every effort to offer multiple programs and activities for both adults and children of North Stonington as well as non-residents from the surrounding communities.

During this fiscal year (September 2018) the recreation office was moved from the Holly Green Plaza to the old Firehouse building at 267 Norwich Westerly Road. Many improvements were made to the new Recreation Center such as cleaning the soot from the walls and ceilings. Then a durable coat of gray epoxy was put over the cement floors and rubber matting was put down in one of the rooms. Also, a dilapidated bathroom was renovated to an ADA compliant bathroom. A “Winter Wonderland” open house event was held in February to introduce the new Recreation building to the public and it was well attended. The six-week Summer Playground Kiddie Camp was also moved from the Elementary School to the new Recreation building.

This fiscal year 2018 / 2019 presented many challenges due to the ongoing School Construction Project which caused an interruption to some programs / activities, while others had to be postponed or moved to different locations. Several Youth Basketball teams participated in regional recreation leagues due to a lack of gym space.

There were approximately fifty (50) programs / activities offered via the recreation website throughout the fiscal year such as Fall Youth Soccer, Winter Youth Basketball, three Youth Tennis clinics, numerous Golf Lessons and youth Basketball camps as well as a year-long Dance program with a Recital for kids. New programs / activities introduced were Green Thumbs Gardening Club for kids; Tiny Tykes Soccer; Pickleball for adults; Spirit Moves Yoga for adults; CPR / First Aid Certification classes, and multiple Art Class offerings.

This fiscal year was the fourth full year in which programs and activities were offered via our recreation website www.northstoningtonrec.com and there were 471 credit card transactions made in the total amount of \$37,797 (for comparison, the previous fiscal year 2017 / 2018 there were 292 credit card transactions in the total amount of \$23,893).

Participants can still register for programs in the traditional way by completing a Registration / Medical form and attaching a personal check or cash, however this is now a much smaller percentage of the recreation transactions.

Several improvements were completed at the Rocky Hollow Recreation Area during this fiscal year. The soccer field was aerated, freeze crack-seeded and fertilized in March by volunteer Wayne Coats. A giant soccer netting fence was erected at the field to keep balls from going into the woods. The Tennis courts had an old backstop replaced, two new benches were added, and a temporary Pickleball court was established at the tennis courts. The Rec Shack door was repaired and new punch-code door lock put in. And two water bubblers were repaired, one at the Pavilion and one at the rear of Rec Shack.

At the end of the fiscal year, the Recreation Commission agreed to move a substantial amount of money from its budget to the Hewitt Farm Committee so that a Pavilion could be built at the Hewitt Farm property.

The Recreation Commission would like to thank the Board of Selectman, the Board of Finance, the Highway Public Works Department, the North Stonington Public Schools staff and administration, as well as the Town Hall employees for their continued support. Additionally, thank you to the citizens of North Stonington for participating and supporting the recreation programs.

Kind Regards,
 Thomas Fabian
 Recreation Director

SENIOR CENTER

Agent for the Elderly & Senior Center Coordinator: Teresa Pensis

Contact: 860-535-8188

Senior Center Hours Mon.-Fri 9:30 am - 2:30 pm

Other hours & activities

- Monday: 10am reserved for appointments
1pm Tai Chi
- Tuesday 9 am food prep & food delivery from Big Y
10am-3pm quilting
- Wednesday Lunch and dining room set- up 8:30am – 2pm
- Thursdays 10am Chair Yoga
1pm-3pm Sewing
- Fridays 10am-noon Art

The first Wednesday of every month at noon the Golden Agers hold their monthly meeting. Approximately, 20 people attend the meeting and have their blood pressure taken by Nurse Debbie.

From the second week of August 2018-June 30, 2019, I processed 37 applications for heating assistance.

I'm also a CHOICES councilor. Open enrollment for Medicare is from Nov.-Dec 2018 I helped numerous people with insurance questions. Individuals who have a low income may qualify for one of three Medicare Savings Plans. Please call the senior center at (860) 535-8188. I may be able to save you money on your insurance and have your Part B premium stopped. The savings programs may be processed all year long.

The AARP safety driving class was held in April 2018. Twenty people attended the class.

Flu shots are given by Nurse Debbie and a helper September 2018. The two nurse gave 45 flu shots. Nurse Debbie went to two homes to give flu shots.

On March 21, 2018 John Backer played the piano and sang to the seniors during lunch. May 3, 2018. These are just a few of the trips I planned. I try to plan one a month for 8 months.

Kind regards,
Teresa Pensis
Agent for the Elderly & Senior Center Coordinator

TOWN OF NORTH STONINGTON, CONNECTICUT

STATE SINGLE AUDIT

YEAR ENDED JUNE 30, 2019

with

INDEPENDENT AUDITORS' REPORTS

Sandra E. Welwood, LLC

Certified Public Accountants

TOWN OF NORTH STONINGTON, CONNECTICUT

STATE SINGLE AUDIT

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Sandra E. Welwood, LLC

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Telephone: (203) 730-0509

Certified Public Accountants
P.O. Box 4609, Danbury, CT 06813

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

To the Board of Finance
Town of North Stonington, Connecticut

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of North Stonington, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of North Stonington, Connecticut's basic financial statements, and have issued our report thereon dated October 28, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of North Stonington, Connecticut's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Sandra E. Welwood, LLC

Danbury, Connecticut
October 28, 2019

Sandra E. Welwood, LLC

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Report on Compliance for Each Major State Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

Independent Auditors' Report

To the Board of Finance
Town of North Stonington, Connecticut

Report on Compliance for Each Major State Program

We have audited the Town of North Stonington, Connecticut's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town of North Stonington, Connecticut's major state programs for the year ended June 30, 2019. Town of North Stonington, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major State Program

In our opinion, the Town of North Stonington, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

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

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

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

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

Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of North Stonington, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of North Stonington, Connecticut's basic financial statements. We have issued our report thereon dated October 28, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Town of North Stonington, Connecticut's basic financial statements. The accompanying Schedule of Expenditures of State Financial Assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 Schedule of Expenditures of State Financial Assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sandra E. Welwood, LLC

Danbury, Connecticut
October 28, 2019

TOWN OF NORTH STONINGTON, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2019**

State Grantor; Pass - Through Grantor Program Title	State Grant Program CORE-CT Number	Passed Through To Subrecipients	Expenditures
<u>Connecticut State Library</u>			
Historic document preservation grants	12060-CSL66094-35150	\$ -	\$ 4,500
		-	4,500
<u>Department of Public Health</u>			
Small town economic assistance program (STEAP)	12052-DPH48615-43410	-	11,234
		-	11,234
<u>Department of Justice</u>			
Judicial fines and fees	34001-JUD95162-40001	-	8,710
		-	8,710
<u>Department of Transportation</u>			
Town aid road grants transportation fund	12052-DOT57131-43455	-	120,242
Town aid road grants transportation fund-STO	13033-DOT57131-43459	-	120,242
Highway planning and construction	12062-DOT57191-22108	-	50,724
		-	291,208
<u>Office of Policy and Management</u>			
Property tax relief on property of totally disabled persons	11000-OPM20600-17011	-	649
Local capital improvement program (LOCIP)	12050-OPM20600-40254	-	56,072
Property tax relief for veterans	11000-OPM20600-17024	-	7,242
Payments in lieu of taxes (PILOT) on State-owned property	11000-OPM20600-17004	-	12,148
		-	76,111
<u>Department of Education</u>			
Child nutrition state matching grant	11000-SDE64370-16211	-	2,241
Healthy foods initiative	11000-SDE64370-16212	-	4,269
School breakfast program	11000-SDE64370-17046	-	2,898
Health services	11000-SDE64370-17034	-	4,435
Adult education	11000-SDE64370-17030	-	11,144
Summer EBT	12060-SDE64165-26130	-	1,013
Talent development	11000-SDE64370-12552	-	1,364
		-	27,364
Total state financial assistance before exempt programs		-	419,127
<u>Exempt programs:</u>			
<u>Department of Education</u>			
Education equalization grants	11000-SDE64370-17041	-	2,708,663
<u>Department of Administrative Services</u>			
School construction grants - principal	13010-DAS27635-40901	-	5,018,006
<u>Office of Policy and Management</u>			
Mashantucket Pequot and Mohegan fund grant	12009-OPM20600-17005	-	880,690
Total exempt programs		-	8,607,359
Total state financial assistance		\$ -	\$ 9,026,486

See notes to schedule.

TOWN OF NORTH STONINGTON, CONNECTICUT

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2019

The accompanying Schedule of Expenditures of State Financial Assistance includes state grant activity of the Town of North Stonington, Connecticut, under programs of the State of Connecticut for the fiscal year ended June 30, 2019. Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of North Stonington, Connecticut, through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, transportation, property tax relief, local improvement, and public health.

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Town of North Stonington, Connecticut, conform to generally accepted accounting principles as applicable to governments.

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

Basis of Accounting

The financial statements contained in the Town of North Stonington, Connecticut's annual audit report are prepared on the accrual basis of accounting. The following is a summary of such basis:

- Revenues are recognized when cash is received or when measurable and available.
- Expenditures are recorded when the liability is incurred.

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

TOWN OF NORTH STONINGTON, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

I. Summary of Auditors' Results

Financial Statements

Type of auditors' opinion issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none

Noncompliance material to financial statements noted? _____ yes X no

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none

Type of auditor's opinion issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? _____ yes X no

- The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State CORE-CT Number</u>	<u>Expenditures</u>
<u>Department of Transportation</u>		
Town aid road grants transportation fund	12052-DOT57131-43455	\$ <u>120,242</u>
Town aid road grants transportation fund – STO	13033-DOT57131-43459	\$ <u>120,242</u>
• Dollar threshold used to distinguish between type A and B programs		\$ <u>100,000</u>

TOWN OF NORTH STONINGTON, CONNECTICUT
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

with

SUPPLEMENTAL STATEMENTS AND SCHEDULES

and

INDEPENDENT AUDITORS' REPORT

Sandra E. Welwood, LLC
Certified Public Accountants

TOWN OF NORTH STONINGTON, CONNECTICUT

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INDEPENDENT AUDITORS' REPORT

To the Board of Finance
Town of North Stonington, 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 North Stonington, Connecticut (the "Town") as of and for the year ended June 30, 2019, 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 auditors' 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, 2019, 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.

Change in Accounting Principle

As discussed in Note 15 to the financial statements, the Town adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities, effective July 1, 2018. The net position of the Town at July 1, 2018 has been restated to recognize the effects of implementing GASB No. 84. Our opinion is not modified with respect to this matter.

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 4 through 10 and the required supplementary information on pages 45 through 47 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 October 28, 2019, 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.

Sandra E. Welwood, LLC

Danbury, Connecticut
October 28, 2019

TOWN OF NORTH STONINGTON, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2019

Our discussion and analysis of the Town of North Stonington, Connecticut's (the "Town") financial performance provides an overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the Town's financial statements, which begin on page 11.

The Town's discussion and analysis is designed to:

1. Provide an overview of the Town's financial activity.
2. Assist the reader in focusing on significant financial issues.
3. Identify any material deviations from the financial plan (approved budget).
4. Identify changes in the Town's financial position, as well as its ability to address challenges in future years.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the assets of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,939,537 (net position). This is an increase of \$5,676,290 from the prior fiscal year before restatement for new accounting requirements.
- Government-wide revenues were \$26,096,290 and expenses were \$20,420,000. On a government-wide basis, revenues exceeded expenses by \$5,676,290.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$5,185,939, a decrease of \$861,269 from the prior fiscal year. This represents the combined balances in the General Fund, Capital Nonrecurring Fund, Capital Projects Fund, Emergency Services Center Fund, School Modernization Project Fund, and other smaller funds.
- In the General Fund, revenues were less than expenses and net transfers by \$192,219. The total General Fund balance of \$3,471,053 as of June 30, 2019, compares to a balance of \$3,663,272 in the prior year (as restated).
- At the end of the current fiscal year, the Unassigned General Fund balance was \$3,239,515. This represents 16.3% of total General Fund expenditures (on a budgetary basis) in the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer term view of the Town's finances. Fund financial statements start on page 13. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the Town.

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 private-sector businesses. All of the resources, which the Town has at its disposal, are shown, including major assets such as buildings and infrastructure. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

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. One can think of the Town's net position – the difference between assets and liabilities – as one way to measure the Town's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements present the functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, public safety, public works, and education.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the Town as a whole. The Town, like other state and local governments, uses fund accounting to help it maintain control and manage money that have been segregated for specific activities or objectives. All of the funds of the Town are divided into two categories: governmental and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the 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 financing decisions. Both the governmental funds Balance Sheet and the governmental funds 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 several individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Capital Nonrecurring, Capital Projects, Emergency Services Center, and School Modernization Project funds. Data from other governmental funds are combined into a single aggregated presentation as Other Funds.

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

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget in the General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis – Budget and Actual.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. All of the Town’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The Town excludes these activities from the Town’s other financial statements because the Town cannot use these funds to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position increased by \$5,676,290 (before restatement for an accounting change) from a year ago. Our analysis below focuses on the net position and changes in net position of the Town.

	<u>2019</u>	<u>Change During Year</u>		<u>2018</u>
		<u>Dollars</u>	<u>Percent</u>	
<u>Assets</u>				
Current and other assets	\$ 7,060,371	\$ (384,144)	-5.2%	\$ 7,444,515
Capital assets	<u>40,139,653</u>	<u>18,396,066</u>	84.6%	<u>21,743,587</u>
Total assets	<u>47,200,024</u>	<u>18,011,922</u>	61.7%	<u>29,188,102</u>
<u>Liabilities</u>				
Long-term debt outstanding	24,445,562	10,143,753	70.9%	14,301,809
Other liabilities	<u>1,890,800</u>	<u>748,252</u>	65.5%	<u>1,142,548</u>
Total liabilities	<u>26,336,362</u>	<u>10,892,005</u>	70.5%	<u>15,444,357</u>
<u>Deferred Inflows of Resources</u>				
OPEB related items	<u>1,924,125</u>	<u>1,420,325</u>	281.9%	<u>503,800</u>
<u>Net Position</u>				
Net investment in capital assets	18,624,287	6,654,262	55.6%	11,970,025
Restricted – expendable	77,836	(188,574)	-70.8%	266,410
Unrestricted	<u>237,414</u>	<u>(766,096)</u>	-76.3%	<u>1,003,510</u>
Total net position	<u>\$ 18,939,537</u>	<u>\$ 5,699,592</u>	43.0%	<u>\$ 13,239,945</u>

Capital Assets increased by \$18,396,066. The increase includes \$625,938 reduction for current year depreciation expense, which was more than offset by the Town’s capital spending during the year.

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

At June 30, 2019, the Town had total long term obligations of \$24,445,562. The Town's debt increased from \$14,301,809 during the current fiscal year. The key factor in this increase was the increase in debt outstanding for the Emergency Services Center and the School Modernization projects. See Note 7 to the financial statements for additional information.

	2019	Change During Year		2018
		Dollars	Percent	
Revenues				
Program revenues:				
Charges for services	\$ 534,123	\$ 13,615	2.6%	\$ 520,508
Operating grants and contributions	4,286,883	(1,427,382)	-25.0%	5,714,265
Capital grants and contributions	5,198,281	3,792,753	269.8%	1,405,528
General revenues:				
Property taxes	14,966,310	(103,036)	-0.7%	15,069,346
Grants and contributions	959,491	40,129	4.4%	919,362
Interest and investment earnings	4,361	(248)	-5.4%	4,609
Other	146,841	(9,893)	-6.3%	156,734
Total revenues	<u>26,096,290</u>	<u>2,305,938</u>	9.7%	<u>23,790,352</u>
Expenses				
General government	2,493,099	198,182	8.6%	2,294,917
Public safety	1,369,188	202,158	17.3%	1,167,030
Public works	1,808,592	298,076	19.7%	1,510,516
Education	14,274,403	(2,058,577)	-12.6%	16,332,980
Interest on long-term debt	474,718	269,291	131.1%	205,427
Total expenses	<u>20,420,000</u>	<u>(1,090,870)</u>	-5.1%	<u>21,510,870</u>
Change in net position	<u>\$ 5,676,290</u>	<u>\$ 3,396,808</u>	149.0%	<u>\$ 2,279,482</u>

The following are the significant changes from the prior year:

- Operating grants revenue decreased \$1,427,382 (25.0%) because of a decrease in state aid.
- Capital grants revenue increased \$3,792,753 (269.8%) because the current year includes higher project reimbursement grants.
- Education expenses decreased \$2,058,577 (12.6%) primarily from a decrease in the current year state teachers' retirement and other post employment benefit expense.

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

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.

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

At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$5,185,939, a decrease of \$837,967 from the prior year.

Ending Fund Balance as of:	<u>2019</u>	<u>2018</u>	<u>Change</u>
General Fund	\$ 3,471,053	\$ 3,639,970	\$ (168,917)
Capital Nonrecurring Fund	222,323	174,398	47,925
Capital Projects Fund	629,733	878,012	(248,279)
Emergency Services Center	237,206	666,315	(429,109)
School Capital Project	460,881	521,616	(60,735)
Other Funds	<u>164,743</u>	<u>143,595</u>	<u>21,148</u>
Total	<u>\$ 5,185,939</u>	<u>\$ 6,023,906</u>	<u>\$ (837,967)</u>

The General Fund is the operating fund of the Town. At the end of the current fiscal year, the Unassigned General Fund balance was \$3,239,515. As a measure of the General Fund's liquidity, it is useful to compare Unassigned fund balance to total fund revenues. Unassigned General Fund balance represents 16.3% of total General Fund expenditures (on a budgetary basis) in the current fiscal year. In the prior year, the Unassigned Fund Balance was 16.7% of the total General Fund expenditures (on a budgetary basis).

The Town's total General Fund balance decreased by \$168,917 or 4.6% during the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board of Finance can revise the Government budget with additional appropriations and budget transfers. Additional appropriations increase the total budget. The Board of Finance is allowed by Connecticut State Statute to make one additional appropriation up to \$20,000 per line item or department. A second additional appropriation or an appropriation over \$20,000 requires a Town Meeting. Transfers do not increase the total budget, but instead move appropriations to a department that needs additional funding from other departments that have excess funding. Connecticut State Statutes allow these transfers to be made by the Board of Finance without a Town Meeting. Below is a summarized view of the final budget and actual results for the General Fund:

	<u>Final Budget</u>	<u>Actual</u>	<u>Better (Worse) Than Budget</u>
Revenues:			
Property taxes	\$ 14,969,870	\$ 14,945,306	\$ (24,564)
Interest and investment earnings	4,200	4,361	161
Intergovernmental	4,103,317	4,053,452	(49,865)
Licenses, fees, fines and charges	235,503	207,599	(27,904)
Other	<u>692,102</u>	<u>741,017</u>	<u>48,915</u>
Total revenues	<u>20,004,992</u>	<u>19,951,735</u>	<u>(53,257)</u>
Expenditures:			
General government	5,070,379	4,755,348	315,031
Debt service	1,026,180	1,026,180	-
Capital outlay	319,592	635,580	(315,988)
Education	<u>13,514,959</u>	<u>13,508,608</u>	<u>6,351</u>
Total expenditures	<u>19,931,110</u>	<u>19,925,716</u>	<u>5,394</u>
Increase in fund balance – budgetary basis	<u>\$ 73,882</u>	<u>\$ 26,019</u>	<u>\$ (47,863)</u>

**Town of North Stonington, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of this year, the Town had \$40,139,653 invested in capital assets. This amount represents a net increase (including additions and deductions) of \$18,396,066 from last year. This is primarily due to various infrastructure projects, which more than offset the current year's depreciation expense. More detailed information about the Town's capital assets is presented in Note 5 to the financial statements.

Debt

At June 30, 2019, the Town had bond anticipation notes outstanding of \$7,279,446 and general obligation bonds of \$13,798,768. In addition, subsequent to June 30, 2019, on October 25, 2019, the Town issued \$9,000,000 of general obligation bonds and paid off the bond anticipation notes of \$7,279,446 outstanding at June 30, 2019 plus additional amounts issued subsequent to June 30, 2019. This debt was issued primarily for the School Modernization project. More detailed information about the Town's long-term obligations is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Grand List for Fiscal Year 2018-2019 grew by approximately .36% percent. The Town's surplus is currently \$3,239,515 or approximately 16% of the Town's approved fiscal year 2019-2020 budget.

Two new commercial zones have been created by the Planning & Zoning Commission. The Village Commercial District will allow existing businesses in the zone to expand and the Resort Commercial District was envisioned to encourage new investment more compatible with neighboring Foxwoods Resort Casino.

The Town has seen three straight years of housing growth. This is a strong indicator of economic health. There have been 30 new houses approved during the last 3 years, 11 in Fiscal Year 2018-2019.

Many new businesses have been approved – some still pending construction – including three restaurants, a machine shop/auto repair shop, gas station, micro-assisted living facility, and a wellness center. Faria Beede moved into the existing industrial facility on Frontage Road which houses many businesses and a new Boat Storage Facility for Barton & Gray Mariners. Shunock River (Micro) Brewery will open this year in the center of the Historic Village.

A 120-ac Solar Farm is expected to break ground in spring 2020 and another smaller solar facility is currently being reviewed by the Planning and Zoning Commission. A second community solar project and small affordable housing development are in the planning stages pending Town Meeting approval.

Many larger vacant parcels and large farms have generated recent interest. Owners of Saltwater Vineyard in Stonington have purchased the former Crider Farm with plans for a new event venue and vineyard envisioned. Devon Point Farm has purchased a large track off Jeremy Hill Road for their Cattle Farm, and two new equine facilities/farms are planning to locate in North Stonington this year. Owners of the new Wellness Center in Holly Green have purchased the 32 acre farm across the street to further develop the holistic campus. The farm will be run by a non-profit (Better Together) and will focus primarily on the needs of returning military veterans. This and a large farm on Swantown Hill Road are also licensed Hemp growers for the State and have begun planting.

The new Wheeler Middle High School opened as scheduled in March 2019. Construction is under way on the North Stonington Elementary School renovation.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Finance at Town of North Stonington, 40 Main Street, North Stonington, CT 06359.

TOWN OF NORTH STONINGTON, CONNECTICUT

**STATEMENT OF NET POSITION
JUNE 30, 2019**

<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 6,355,813
Receivables:	
Taxes and interest	585,927
Intergovernmental	80,481
Other	28,092
Prepaid expenses	2,329
Inventory	7,729
Noncurrent assets:	
Capital assets:	
Not being depreciated	24,993,216
Being depreciated, net of accumulated depreciation	<u>15,146,437</u>
Total assets	<u>47,200,024</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	1,207,024
Accrued expenses	77,708
Accrued interest payable	401,152
Unearned revenue	128,739
Performance bonds payable	76,177
Noncurrent liabilities:	
Due within one year	7,767,322
Due in more than one year	<u>16,678,240</u>
Total liabilities	<u>26,336,362</u>
<u>Deferred Inflows of Resources</u>	
OPEB related items	<u>1,924,125</u>
<u>Net Position</u>	
Net investment in capital assets	18,624,287
Restricted:	
Expendable	203,807
Unrestricted	<u>111,443</u>
Total net position	<u>\$ 18,939,537</u>

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

TOWN OF NORTH STONINGTON, CONNECTICUT

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities:					
General government	\$ (2,493,099)	\$ 358,356	\$ 4,500	\$ -	\$ (2,130,243)
Public safety	(1,369,188)	-	65,046	-	(1,304,142)
Public works	(1,808,592)	-	240,483	180,275	(1,387,834)
Education	(14,274,403)	175,767	3,976,854	5,018,006	(5,103,776)
Interest on debt	(474,718)	-	-	-	(474,718)
Total governmental activities	<u>\$ (20,420,000)</u>	<u>\$ 534,123</u>	<u>\$ 4,286,883</u>	<u>\$ 5,198,281</u>	<u>(10,400,713)</u>
General Revenues:					
Property taxes, interest, and lien fees					14,966,310
Grants and contributions not restricted to specific programs					959,491
Interest and investment earnings					4,361
Other					146,841
Total general revenues					<u>16,077,003</u>
Change in net position					<u>5,676,290</u>
Net position, beginning of year - as reported					13,239,945
Adjustment to reflect adoption of new accounting standard					23,302
Net position, beginning of year - as restated					<u>13,263,247</u>
Net position, end of year					<u>\$ 18,939,537</u>

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

TOWN OF NORTH STONINGTON, CONNECTICUT

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019

	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	School Modernization Project	Other Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 4,297,630	\$ 217,067	\$ -	\$ 237,206	\$ 1,471,484	\$ 132,426	\$ 6,355,813
Receivables:							
Taxes and interest	585,927	-	-	-	-	-	585,927
Intergovernmental	32,719	-	-	-	-	47,762	80,481
Other	28,092	-	-	-	-	-	28,092
Prepaid expenses	2,329	-	-	-	-	-	2,329
Due from other funds	18,275	5,256	629,733	-	-	26,429	679,693
Inventory	-	-	-	-	-	7,729	7,729
Total assets	\$ 4,964,972	\$ 222,323	\$ 629,733	\$ 237,206	\$ 1,471,484	\$ 214,346	\$ 7,740,064
Liabilities							
Accounts payable	\$ 198,456	\$ -	\$ -	\$ -	\$ 1,008,568	\$ -	\$ 1,207,024
Accrued expenses	52,731	-	-	-	-	24,977	77,708
Performance bonds payable	76,177	-	-	-	-	-	76,177
Unearned revenue	120,353	-	-	-	-	8,386	128,739
Due to other funds	661,418	-	-	-	2,035	16,240	679,693
Total liabilities	1,109,135	-	-	-	1,010,603	49,603	2,169,341
Deferred Inflows of Resources							
Unavailable revenue - taxes	384,784	-	-	-	-	-	384,784
Fund Balances							
Nonspendable	2,329	-	-	-	-	7,729	10,058
Restricted	-	36,254	131,196	-	-	36,357	203,807
Committed	-	186,069	498,537	237,206	460,881	26,429	1,409,122
Assigned	229,209	-	-	-	-	100,904	330,113
Unassigned	3,239,515	-	-	-	-	(6,676)	3,232,839
Total fund balances	3,471,053	222,323	629,733	237,206	460,881	164,743	5,185,939
Total liabilities, deferred inflows of resources, and fund balances	4,964,972	222,323	629,733	237,206	1,471,484	214,346	

Amounts reported in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	40,139,653
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	384,784
Long-term and related liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Long-term debt outstanding	(21,407,628)
Compensated absences and OPEB related items	(4,926,059)
Accrued interest payable	(401,152)
Landfill costs	(36,000)
Net position	\$ 18,939,537

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

TOWN OF NORTH STONINGTON, CONNECTICUT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	School Modernization Project	Other Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 14,945,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,945,306
Intergovernmental	4,981,989	-	-	30,000	5,018,006	339,654	10,369,649
Local	537,005	-	-	12,480	-	210,846	760,331
Total revenues	20,464,300	-	-	42,480	5,018,006	550,500	26,075,286
Expenditures:							
Current:							
General government	2,396,984	-	-	-	-	30,557	2,427,541
Public safety	934,533	-	-	22,000	-	-	956,533
Public works	1,699,636	-	-	-	-	-	1,699,636
Education	14,373,747	-	-	-	151,268	501,201	15,026,216
Capital outlay	-	-	423,387	109,452	17,566,876	-	18,099,715
Debt service	-	-	-	75,086	84,199	-	159,285
Total expenditures	19,404,900	-	423,387	206,538	17,802,343	531,758	38,368,926
Excess of revenues over (under) expenditures	1,059,400	-	(423,387)	(164,058)	(12,784,337)	18,742	(12,293,640)
Other Financing Sources (Uses):							
Proceeds from issuance of notes/loans	-	-	-	4,798,769	16,279,445	-	21,078,214
Payment of notes/loans	-	-	-	(5,340,000)	(4,305,843)	-	(9,645,843)
Transfers in	415,972	47,925	591,080	276,180	750,000	2,406	2,083,563
Transfers out	(1,667,591)	-	(415,972)	-	-	-	(2,083,563)
Total other financing sources (uses)	(1,251,619)	47,925	175,108	(265,051)	12,723,602	2,406	11,432,371
Net change in fund balances	(192,219)	47,925	(248,279)	(429,109)	(60,735)	21,148	(861,269)
Fund balances, beginning of year, as reported	3,639,970	174,398	878,012	666,315	521,616	143,595	6,023,906
Adjustment to reflect adoption of new accounting standard	23,302	-	-	-	-	-	23,302
Fund balance, beginning of year, as restated	3,663,272	174,398	878,012	666,315	521,616	143,595	6,047,208
Fund balances, end of year	\$ 3,471,053	\$ 222,323	\$ 629,733	\$ 237,206	\$ 460,881	\$ 164,743	\$ 5,185,939

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

TOWN OF NORTH STONINGTON, CONNECTICUT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds \$ (861,269)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:

Capital outlays (net of disposals) treated as expenditures	19,022,004
Depreciation expense not considered in the fund statements	<u>(625,938)</u>
	<u>18,396,066</u>

The issuance of long-term debt 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, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Principal repayments or refinanced (proceeds):	
Bond anticipation notes, obligation bonds, and construction loan, net	(11,432,371)
Capital lease	(192,238)
Post-closure landfill costs	6,000
	<u>(11,618,609)</u>

Revenues from taxes and assessments are reported as income in the year revenues provide current financial resources to governmental funds:

Revenues:	
Taxes, interest, and liens	21,004
Expenses:	
Compensated absences and OPEB related items	54,531
Accrued interest payable	<u>(315,433)</u>
	<u>(239,898)</u>

Change in net position \$ 5,676,290

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

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY BASIS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Property taxes, interest, and lien fees	\$ 14,969,870	\$ 14,969,870	\$ 14,945,306	\$ (24,564)
Interest and investment earnings	4,200	4,200	4,361	161
Intergovernmental	4,103,317	4,103,317	4,053,452	(49,865)
Licenses, fees, fines and charges	235,503	235,503	207,599	(27,904)
Other	692,102	692,102	741,017	48,915
Total revenues	<u>20,004,992</u>	<u>20,004,992</u>	<u>19,951,735</u>	<u>(53,257)</u>
Expenditures:				
Current:				
General government	263,466	263,466	257,006	6,460
Probate Court	2,767	2,767	2,782	(15)
Board of Finance	19,950	20,375	20,375	-
Assessor's Office	133,697	133,697	131,528	2,169
Board of Assessment Appeals	1,000	1,000	665	335
Tax Collector	63,416	63,416	55,110	8,306
Town Treasurer	7,344	7,344	7,344	-
Town Attorney	20,000	30,471	30,471	-
Annexation related	25,000	14,529	12,649	1,880
Town Clerk	67,974	70,237	70,207	30
Planning and Zoning Commission	138,061	138,061	134,016	4,045
Building Department	43,328	43,328	33,269	10,059
Zoning Board of Appeals	1,000	1,000	1,000	-
Affordable housing committee	700	700	546	154
School Building and Planning Committee	2	2	-	2
Economic Development Commission	17,654	17,654	9,054	8,600
Recreation Commission	117,244	117,244	114,580	2,664
Inland Wetlands Commission	8,207	8,207	7,706	501
Conservation Commission	2,000	2,000	1,627	373
Fixed charges	943,523	943,523	856,923	86,600
Elections and Town Meetings	30,800	30,800	26,041	4,759
Town Hall	70,040	69,131	63,344	5,787
Social Services/Welfare	40,075	40,075	36,575	3,500
Selectmen's Engineering Service	2,500	2,500	-	2,500
Information Technology	93,615	90,307	89,389	918
Public safety	1,055,371	1,055,371	934,533	120,838
Public works	1,738,628	1,738,628	1,699,636	38,992
Conservation of Health	40,686	40,686	40,179	507
Senior Citizens	61,580	61,580	61,226	354
Miscellaneous	53,751	55,280	54,624	656
Education	13,514,959	13,514,959	13,508,608	6,351
Capital outlay	319,592	319,592	635,580	(315,988)
Debt service	1,026,180	1,026,180	1,026,180	-
Total expenditures	<u>19,931,110</u>	<u>19,931,110</u>	<u>19,925,716</u>	<u>5,394</u>
Net change in fund balance	<u>\$ 73,882</u>	<u>\$ 73,882</u>	<u>26,019</u>	<u>\$ (47,863)</u>
Fund balance, beginning of year, as reported			3,192,523	
Adjustment to reflect adoption of new accounting standard			23,302	
Fund balance, beginning of year, as restated			<u>3,215,825</u>	
Fund balance, end of year			<u>\$ 3,241,844</u>	

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

TOWN OF NORTH STONINGTON, CONNECTICUT

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019

	Pension Trust Funds	Other Fiduciary Funds
<u>Assets</u>		
Cash and cash equivalents	\$ 509,493	\$ 56,334
Investments	2,905,414	-
Other receivables	92,856	-
Total assets	3,507,763	56,334
<u>Liabilities</u>		
Due to students and developers	-	55,607
Due to governmental funds	-	727
Total liabilities	-	56,334
Net position held in trust for pension benefits	\$ 3,507,763	\$ -

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

TOWN OF NORTH STONINGTON, CONNECTICUT

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Pension Trust Funds</u>
Additions:	
Employer contributions	\$ 162,442
Investment earnings	<u>118,883</u>
Total additions	<u>281,325</u>
Deductions:	
Distributions	43,141
Administrative expenses	<u>31</u>
Total deductions	<u>43,172</u>
Change in net position	238,153
Net position, beginning of year	<u>3,269,610</u>
Net position, end of year	<u><u>\$ 3,507,763</u></u>

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

TOWN OF NORTH STONINGTON, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

Note 1 – Summary of Significant Accounting Policies

The Town of North Stonington, 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. An elected Board of Finance is the budget making authority and supervises the Town's financial matters.

Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity include: 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. The criterion provided by the Government Accounting Standards Board has been considered, and there are no agencies or entities, which should be presented as component units of the Town.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the nonfiduciary activities of the primary government. Fiduciary funds are excluded from the government-wide financial statements. For the most part, the effects of interfund activity have been eliminated from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The various funds included in the financial statements are described below:

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. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for services, and interest income.

Special Revenue Funds – account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.

Capital Projects Funds – account for financial resources used for the acquisition or construction of capital facilities for capital projects anticipated to last more than one year.

Fiduciary Funds

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

Pension Trust Funds – are used to account for resources legally held in trust for the benefit of individuals, private organizations or other governments.

Other Fiduciary Funds – are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes when levied, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town or specifically identified.

The Town reports the following major governmental funds:

The **General Fund** is the general operating fund of the Town. All unrestricted resources, except those required to be accounted for in another fund, are accounted for in this fund. From this fund are paid general operating expenditures, fixed charges, principal and interest on long-term debt, and capital improvement costs of the Town, which were not paid through a special fund.

The **Capital Nonrecurring Fund** accounts for smaller, short-term capital projects that are funded through capital grants or General Fund transfers.

The **Capital Projects Fund** is used to account for proceeds of bond anticipation notes and general obligation notes used for authorized projects such as acquisition and construction of capital facilities or major repair activities.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

The **Emergency Services Center Fund** is used to account for proceeds of bond anticipation notes used for the authorized Emergency Services Center major project.

The **School Modernization Project** is used to record the activity and related bond anticipation notes outstanding for the school modernization project.

Additionally, the Town reports the following funds:

The **Pension Trust Funds** account for activities of the Town's defined contribution plans, which accumulate resources for pension benefit payments to qualified employees.

The **Other Fiduciary Funds** account for monies held as a custodian for outside groups and agencies.

Cash, Cash Equivalents, and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments for the Town are reported at fair value. Nonparticipating, interest-earning investment contracts are generally reported at cost plus accrued earnings.

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy for custodial credit risk is to invest in obligations allowable under the Connecticut General Statutes. In general for most of the funds, this includes deposits in allowable banks, obligations of the United States of America, and obligations of any State or political subdivision, which is tax exempt. Certain fiduciary funds are allowed more flexibility in investing.

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.

Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

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.

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. 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.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Under Connecticut 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, 2019, the Town has no allowance for uncollectible taxes and interest.

Interfund 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).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in appropriate governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., bridges, sidewalks, and similar items) are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than the capitalization threshold for that asset type and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land is considered inexhaustible and, therefore, not depreciated. Property, equipment, and infrastructure of the Town are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Capitalization Threshold</u>
Building and improvements	75	\$ 10,000
Trucks	5- 20	10,000
Equipment and furniture	5- 20	2,000
Electronic equipment	4	2,000
Infrastructure:		
Bridges	75	50,000
Sidewalks	50	10,000
Stone bridge/culverts	50	25,000

Unearned Revenue

In the government-wide and fund financial statements, this liability represents resources that have been received but not yet earned.

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.

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources related to OPEB changes of assumptions and other inputs in the government-wide Statement of Net Position. The Town also reports a deferred inflow of resources for unavailable revenues from property taxes 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

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is a liability for unpaid accumulated sick leave since the town has a policy to pay any amounts when employees separate from service with the Town. All vacation and sick pay benefits are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and/or 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 using the effective interest method. 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, as well as bond issuance costs, are recognized 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, are reported as debt service expenditures.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as Assigned fund balance as they do not constitute either expenditures or liabilities.

Fund Equity and Net Position

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

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

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

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

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

Governmental Accounting Standards Board Statement #54 (GASB 54) defines the different types of fund balances that the Town must use for its governmental funds. GASB 54 requires the fund balances to be properly reported within one of the following categories for financial reporting purposes.

Nonspendable – Fund balance amounts associated with inventories, prepaids, and long-term receivables and payables.

Restricted – Fund balance amounts that can be spent only for the specific purposes stipulated by external source providers or enabling legislation.

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.

Assigned – Amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a finance committee), or by an official to whom that authority has been given. This is the residual fund balance classification for all governmental funds except the General Fund. Assigned fund balances should not be reported in the General Fund if doing so causes the government to report a negative unassigned General Fund balance.

Unassigned – This is the residual classification for the General Fund (i.e., everything that is not in another classification or in another fund). The General Fund is the only governmental fund that can report a positive 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.

The Town's committed fund balance reporting is required when funds have been committed at a Town Meeting. The Town's assigned fund balance reporting is required when funds have been assigned by the Town's Board of Selectmen. The Town's policy is to apply expenditures against the applicable fund balances in the following order: nonspendable, restricted, committed, assigned, and unassigned.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Note 2 – Budgets and Budgetary Accounting

Budgetary Basis

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

- Teachers' Retirement and Connecticut State Teachers' OPEB – the Town does not recognize as income or expenditures payments made for teachers' retirement and OPEB by the State of Connecticut on the Town's behalf in its budget. The Governmental Accounting Standards Board's Statement No. 68 and No. 75 requires that the employer government recognize payments for salaries and fringe benefits paid on behalf of its employees.
- Encumbrances – Unless committed through a formal encumbrance (e.g., purchase orders, signed contracts), all annual appropriations lapse at fiscal year end. Encumbrances outstanding at year end are reported on the budgetary basis statements as expenditures.

A reconciliation of General Fund operations presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”) to the amounts presented on the budgetary basis is as follows:

	Restated Fund Balance				Fund Balance
	<u>Beginning</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Uses</u>	<u>Ending</u>
GAAP basis	\$ 3,663,272	\$ 20,464,300	\$ (19,404,900)	\$ (1,251,619)	\$ 3,471,053
Encumbrances:					
June 30, 2018	(447,447)	-	447,447	-	-
June 30, 2019	-	-	(229,209)	-	(229,209)
Reclassifications	-	415,972	(1,667,591)	1,251,619	-
Teachers' retirement system and OPEB on behalf payments	-	(928,537)	928,537	-	-
Budgetary basis	<u>\$ 3,215,825</u>	<u>\$ 19,951,735</u>	<u>\$ (19,925,716)</u>	<u>\$ -</u>	<u>\$ 3,241,844</u>

Budget Calendar

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

The Board of Finance holds a public hearing, at which itemized estimates of the expenditures of the Town for the next fiscal year are presented. At this time, individuals are able to recommend any appropriations, which they desire the Board of Finance to consider. The Board of Finance then considers the estimates and any other matters brought to their attention at a public meeting held subsequent to the public hearing and prior to the annual meeting. The Board of Finance prepares the proposed budget.

The Board of Finance'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 Finance 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.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Budget Control

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level except for education expenditures, which are, by Connecticut 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 Finance 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 a previously adjusted appropriation.

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 the related ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

Note 3 – Deposits and Investments

Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at year end:

Governmental funds	\$ 6,355,813
Fiduciary funds	<u>565,827</u>
Total cash and cash equivalents	<u>\$ 6,921,640</u>

Custodial Credit Risk on Deposits

The bank balance of the deposits was exposed to custodial credit risk as follows:

Covered by Federal Depository Insurance	\$ 306,334
Uninsured and collateralized	1,399,006
Uninsured and uncollateralized	<u>5,068,892</u>
Total Deposits	<u>\$ 6,774,232</u>

Investments

As of June 30, 2019, the Town's investments consisted of the following:

Mutual funds	Fiduciary Funds <u>\$ 2,905,414</u>
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Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Fair Value Measurements

The Town utilizes the market approach as the valuation technique to measure fair value of its financial assets. GAAP establishes a three-level hierarchy for fair value measurements that distinguishes between market participant assumptions developed based on market data obtained from sources independent of the reporting entity (“observable inputs”) and the reporting entity’s own assumptions about market participant assumptions developed based on the best information available in the circumstances (“unobservable inputs”) and requires that the most observable inputs be used when available. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 - Valuation based on unadjusted quoted prices in active markets for identical assets the Town has the ability to access. Since valuations are based on quoted prices readily and regularly available in an active market, valuation of these assets does not entail significant judgment.
- Level 2 - Valuation based on quoted prices for similar assets in active markets; quoted prices for similar assets in inactive markets; or valuations based on models where the significant inputs are observable (e.g. interest rates, yield curves, etc.) or can be corroborated by observable market data.
- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The unobservable inputs reflect the Town’s own assumptions about assumptions that market participants might use.

The Town’s investments are measured on a recurring basis using Level 1 information (market quotations for investments that have quoted prices in active markets). The Town has no financial assets measured using Level 2 or Level 3 at June 30, 2019.

Note 4 – Operating Lease

The Town is the lessor in several non-cancelable operating leases of Town owned property. The lease terms vary and are paid in monthly installments. Minimum future rental payments to be received are as follows:

<u>Year Ending</u>	<u>Future Rental Payments</u>
2020	\$ 25,413
2021	<u>250</u>
Total	<u>\$ 25,663</u>

Note 5 – Capital Assets

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

General government	\$ 65,557
Public works	126,471
Public safety	220,417
Education	<u>213,493</u>
Total depreciation expense	<u>\$ 625,938</u>

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Capital asset activity for the year was as follows:

	Balance at July 1, 2018	Increases	Decreases	Balance at June 30, 2019
Capital assets not being depreciated:				
Construction in process	\$ 6,128,182	\$ 17,911,794	\$ -	\$ 24,039,976
Land	953,240	-	-	953,240
	<u>7,081,422</u>	<u>17,911,794</u>	<u>-</u>	<u>24,993,216</u>
Capital assets being depreciated:				
Buildings and improvement	18,143,325	65,889	189,500	18,019,714
Furniture and equipment	6,233,241	1,391,991	188,854	7,436,378
Infrastructure	3,185,995	-	-	3,185,995
	<u>27,562,561</u>	<u>1,457,880</u>	<u>378,354</u>	<u>28,642,087</u>
Accumulated depreciation	<u>(12,900,396)</u>	<u>(625,938)</u>	<u>(30,684)</u>	<u>(13,495,650)</u>
Capital assets, net	<u>\$ 21,743,587</u>	<u>\$ 18,743,736</u>	<u>\$ 347,670</u>	<u>\$ 40,139,653</u>

Note 6 – Interfund Receivables, Payables, and Transfers

Interfund transfers are generally used to transfer monies raised in taxes to other funds. During the year, transfers from the General Fund are as follows:

	Transfers In						Total
	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	School Modernization Project	Other Funds	
Transfers out:							
General Fund	\$ -	\$ 47,925	\$ 591,080	\$ 276,180	\$ 750,000	\$ 2,406	\$ 1,667,951
Capital Projects Fund	<u>415,972</u>	-	-	-	-	-	<u>415,972</u>
	<u>\$ 415,972</u>	<u>\$ 47,925</u>	<u>\$ 591,080</u>	<u>\$ 276,180</u>	<u>\$ 750,000</u>	<u>\$ 2,406</u>	<u>\$ 2,083,563</u>

As of June 30, 2019, interfund receivables and payables were as follows:

	Due From			Total
	General Fund	School Modernization Fund	Other Funds	
Due To:				
General Fund	\$ -	\$ 2,035	\$ 16,240	\$ 18,275
Capital Nonrecurring Fund	5,256	-	-	5,256
Capital Projects Fund	629,733	-	-	629,733
Other Funds	<u>26,429</u>	<u>-</u>	<u>-</u>	<u>26,429</u>
	<u>\$ 661,418</u>	<u>\$ 2,035</u>	<u>\$ 16,240</u>	<u>\$ 679,693</u>

Transfers are used to account for unrestricted revenues collected mainly in the General Fund to finance capital projects and other programs accounted for in other funds in accordance with budget and project authorizations.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Note 7 – Long-Term Obligations

Changes In Long-Term Obligations

Long-term obligation activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bond anticipation notes	\$ 9,645,843	\$ -	\$ 9,645,843	\$ -	\$ -
Bond anticipation notes	-	7,279,446	-	7,279,446	7,279,446
General obligation bonds	-	24,340,000	10,541,232	13,798,768	380,228
Capital lease obligations	137,176	300,638	108,400	329,414	101,648
Compensated absences	263,124	-	11,515	251,609	-
Post-closure landfill costs	42,000	-	6,000	36,000	6,000
Net OPEB liability	<u>4,213,666</u>	<u>-</u>	<u>1,463,341</u>	<u>2,750,325</u>	<u>-</u>
	<u>\$ 14,301,809</u>	<u>\$ 31,920,084</u>	<u>\$ 21,776,331</u>	<u>\$ 24,445,562</u>	<u>\$ 7,767,322</u>

Bond Anticipation Notes

The Town issues bond anticipation notes to provide funds for the acquisition and construction of major capital facilities until general obligation bonds are issued on a long-term basis. At June 30, 2019, the Town was indebted under the following bond anticipation notes:

	<u>Issue</u>	<u>Date</u>	<u>Rate (%)</u>	<u>Issue</u>	<u>June 30, 2019</u>
School Modernization Project	11/20/2018	11/19/2019	2.75%	\$ 10,000,000	\$ 7,279,446

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town.

General obligation bonds currently outstanding are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2019</u>
General obligation bonds:					
School modernization project	11/18	11/48	2.75%	\$ 9,000,000	\$ 9,000,000
Emergency services complex	7/18	11/38	2.75%	<u>4,798,768</u>	<u>4,798,768</u>
Total general obligation bonds				<u>\$ 13,798,768</u>	<u>\$ 13,798,768</u>

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 380,228	\$ 379,466
2021	390,684	369,010
2022	401,428	358,266
2023	412,467	347,227
2024	423,811	335,883
2025-2029	2,300,415	1,498,055
2030-2034	2,634,604	1,163,865
2035-2039	3,016,280	781,126
2040-2044	1,790,517	432,034
2045-2049	<u>2,048,334</u>	<u>171,921</u>
Total	<u>\$ 13,798,768</u>	<u>\$ 5,836,853</u>

Subsequent to June 30, 2019, on October 25, 2019, the Town issued \$9,000,000 of general obligation bonds and paid off the bond anticipation notes of \$7,279,446 outstanding at June 30, 2019 plus bond anticipation note additional amounts issued subsequent to June 30, 2019. The general obligation bonds mature serially over 30 years and bear interest of 2.75%.

The annual debt service requirements to maturity for these general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 197,010	\$ 247,500
2022	202,428	242,082
2023	207,995	236,515
2024	213,714	230,796
2025	219,592	224,918
2026-2030	1,191,929	1,030,621
2031-2035	1,365,085	857,464
2036-2040	1,563,396	659,154
2041-2045	1,790,517	432,034
2046-2050	<u>2,048,334</u>	<u>171,921</u>
Total	<u>\$ 9,000,000</u>	<u>\$ 4,333,005</u>

Capital Lease Obligations

In December 2017, the Town entered into an equipment capital lease agreement. The agreement required a down payment of \$50,000 in January 2018 and requires annual payments of principal and interest of \$48,795 for three years beginning January 2019.

In October 2018, the Town entered into an ambulance and equipment capital lease agreement. The agreement requires annual payments of principal and interest of \$64,685 for five years beginning November 2018.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Authorized and Unissued Debt

At June 30, 2019, there was \$15,803,260 authorized and unissued bonds for the School Modernization Project.

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, 2019.

Post-Closure Landfill Costs

The Town has a closed landfill. State and federal laws and regulations require that the Town perform certain maintenance and monitoring functions on its closed landfill site for 30 years after closure. These costs will be paid through the General Fund each year as part of the annual budget. Total estimated costs based on the current actual costs are included in long-term obligations. The actual costs may vary based on actual events, inflation, changes in technology, and applicable laws and regulations.

Note 8 – Net Position and Fund Balances

Restricted Net Position

Restrictions on net position at year end are summarized as follows:

	<u>Expendable</u>
Sewer study (STEAP grant)	\$ 131,196
Town Clerk document restoration	7,124
LOCIP capital improvements	29,130
Scholarships	<u>36,357</u>
	<u>\$ 203,807</u>

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Fund Balances

As of June 30, 2019, governmental fund balances are composed of the following:

	General Fund	Capital Nonrecurring	Capital Projects Fund	Emergency Services Center	School Modernization Project	Other Funds	Total Governmental Funds
Nonspendable:							
Prepaid expenses	\$ 2,329	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,329
Inventory	-	-	-	-	-	7,729	7,729
	<u>2,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,729</u>	<u>10,058</u>
Restricted:							
Capital projects	-	36,254	131,196	-	-	-	167,450
Education	-	-	-	-	-	36,357	36,357
	<u>-</u>	<u>36,254</u>	<u>131,196</u>	<u>-</u>	<u>-</u>	<u>36,357</u>	<u>203,807</u>
Committed:							
Capital projects	-	186,069	498,537	237,206	460,881	-	1,382,693
Inland Wetland mitigation	-	-	-	-	-	13,287	13,287
General government	-	-	-	-	-	3,126	3,126
Open space	-	-	-	-	-	10,016	10,016
	<u>-</u>	<u>186,069</u>	<u>498,537</u>	<u>237,206</u>	<u>460,881</u>	<u>26,429</u>	<u>1,409,122</u>
Assigned:							
General government	-	-	-	-	-	2,000	2,000
Public safety	30,247	-	-	-	-	-	30,247
Education	198,962	-	-	-	-	98,904	297,866
	<u>229,209</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,904</u>	<u>330,113</u>
Unassigned							
	<u>3,239,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,676)</u>	<u>3,232,839</u>
	<u>\$ 3,471,053</u>	<u>\$ 222,323</u>	<u>\$ 629,733</u>	<u>\$ 237,206</u>	<u>\$ 460,881</u>	<u>\$ 164,743</u>	<u>\$ 5,185,939</u>

Note 9 – Deficit Fund Balance

The Education Grants fund has a deficit fund balance of \$6,676 and is expected to be funded by the General Fund and intergovernmental grants.

Note 10 – Employee Retirement Plans

The Town maintains three defined contribution plans. The plans are required to be reported as pension trust funds in the financial statements. The pension funds can be changed based on a change in Town policy and the agreement of the collective bargaining units.

Board of Education Pension Plans

At June 30, 2019, there were 9 participants in the Board of Education defined contribution plans below, which are administered as one plan by National Retirement Services, Inc. For the year ended June 30, 2019, the Town contributed \$52,096 to the plans.

Plan #2119

Eligibility in the plan is limited to secretaries, custodians, and the cafeteria administrator all of whom must have completed one-half year of service and have attained the age of twenty and one-half. Participants may contribute voluntarily to the plan. The Town annually contributes an amount equal to 10% of each participant's compensation. Participants are fully vested immediately upon participation in the plan.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Plan #30027

Eligibility in the Board of Education CNBU Money Purchase plan is limited to those employees of the Board of Education who are not participants in the Board of Education Pension Plan above. All participants must have completed six months of service and must have attained age twenty and one-half. Participants may contribute voluntarily to the plan. The Town annually contributes 14% of each participant's compensation. Participants are fully vested immediately upon participation in the plan.

General Government Pension Plan

Eligibility in the plan is limited to the Highway Foreman, First Selectman, First Selectman's Assistant, Town Clerk, Administration and Finance Officer, members of the United Steelworkers of America (USWA), and American Federation of State, County, and Municipal Employees (AFSCME). Participants may voluntarily contribute to the plan. The Town's funding policy for the year ended June 30, 2019 is as follows:

American Federation of State, County, and Municipal Employees	10% of annual compensation
United Steelworkers of America	10% of annual compensation
First Selectman's Assistant	14% of annual compensation
All other participants	10% of annual compensation

For the year ended June 30, 2019, the Town contributed \$110,346 to the plan all of which is allocated to the participants' individual retirement. The plan is administered by the Town. There were 24 participants in the plan.

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.)

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

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.

Participants are required to contribute 7.00% of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2018/2019 school year, \$455,712 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 \$6,511,600. The Town had 87 active participants in the System at June 30, 2019.

Employers are not required to contribute to the System. The Town does not contribute to the plan.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following key actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age
Amortization method	Level percent of pay, closed
Asset valuation method	4-year smoothed market
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.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 – June 30, 2016.

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>	

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 (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
Sensitivity of the system’s proportionate share of the net pension liability related to the Town	\$ 25,609,297	\$ 20,263,436	\$ 15,742,601

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

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 \$20,263,436 and 100% of the collective net pension liability is allocated to the State.

June 30, 2018, is the actuarial valuation date upon which the total pension liability is based. 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, 2019, the Town recognized \$2,274,213 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

Note 11 – Risk Management

The Town is exposed to various risks of loss related to 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 four 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 – Contingent Liabilities and Commitments

Grants

Amounts received, or receivable from grant agencies, are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

Various Lawsuits

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.

Note 13 – North Stonington Other Post Employment Benefits (OPEB)

General Information about the OPEB Plan

The North Stonington Public Schools Other Post Employment Benefit Program is a single-employer defined benefit plan administered by the Town of North Stonington, Connecticut, in accordance with various collective bargaining agreements. The plan does not issue separate financial statements.

Eligibility Teachers and Administrators – A teacher or administrator retiring under the Connecticut State Teachers' Retirement System shall be eligible to receive health benefits for self and spouse. Normal retirement for teachers and administrators is the earlier of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earlier of age 60 with 10 years of service, any age with 25 years of service.

All Others – A member retiring at age 55 years or older shall be eligible to continue health insurance coverage for self and spouse. Coverage is pre-65 only.

Medical and Dental Benefits: Teachers and Administrators – Employees and their spouses are eligible to continue medical and dental coverage upon retirement by paying the full cost of the applicable premium. Teachers and administrators eligible to participate in Medicare are allowed to continue coverage until age 65. Teachers and administrators hired prior to April 1, 1986, who are not eligible to participate in Medicare are allowed to continue coverage for their life and the life of their spouse.

Life Insurance: Administrators receive \$50,000 from retirement until age 65 paid for by the Town.

At June 30, 2019, the following employees were covered by the benefit terms:

Retired members/beneficiaries receiving benefits	3
Active members	<u>100</u>
	<u><u>103</u></u>

Schedule of Funding Progress

There is no requirement for funding and the plan has not been funded. The Town has not yet established a formal funding plan or a trust.

Total OPEB Liability

The Town's total OPEB liability was \$2,750,325 as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2018 with a measurement date of June 30, 2018.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal, level percent of salary
Salary increases	3.0 %
Discount rate	3.87% as of June 30, 2019 and 3.13% as of June 30, 2018, which is based on the 20-bond GO Index
Healthcare cost trend rates	7.50% percent for 2019, reduced by 0.15% per year, 4.5% ultimate rate
Mortality rates	Based on the RP-2014 (adjusted back to 2006) Employee and Healthy Annuitant Mortality Tables projected generationally with Scale MP-2018

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 6/30/2018	<u>\$ 4,213,666</u>
Changes for the year:	
Service cost	135,814
Interest	135,127
Changes of benefit terms	-
Differences between expected and actual experience	(1,880,846)
Changes in assumptions or other inputs	(211,222)
Benefit payments (net)	<u>(64,658)</u>
Net changes	<u>(1,463,341)</u>
Balance at 6/30/2019	<u>\$ 2,750,325</u>

The following changes of assumptions were effective July 1, 2018:

- The discount rate was increased from 3.13% to 3.87%.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	<u>1% Decrease</u> <u>(2.87%)</u>	<u>Discount rate</u> <u>(3.87%)</u>	<u>1% Increase</u> <u>(4.87%)</u>
Total OPEB liability	\$ 3,194,496	\$ 2,750,325	\$ 2,381,146

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 2,325,076	\$ 2,750,325	\$ 3,274,637

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the Town recognized OPEB expense of \$21,642. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,645,740
Changes in assumptions	<u>184,819</u>	<u>463,204</u>
	<u>\$ 184,819</u>	<u>\$ 2,108,944</u>

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

Year ended June 30,	
2020	\$ (249,299)
2021	(249,299)
2022	(249,299)
2023	(249,299)
2024	(249,299)
Thereafter	(677,630)

Note 14 – Connecticut State Teachers’ Other Post Employment Benefits (OPEB)

Description of the Plan

Teachers within the Town’s school system participate in a retirement system administered by the Connecticut State Teachers’ Retirement Board, which includes the Retiree Health Insurance Plan (Connecticut State Teachers’ OPEB). This Connecticut State Teachers’ OPEB is a cost sharing multiple employer defined benefit OPEB plan with a special funding situation. As such, the Town does not have a liability related to participants in the Connecticut State Teachers’ OPEB.

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

The Connecticut State Teachers’ OPEB is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation 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 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.

Eligibility

Teachers and Administrators (Certified) – A Teacher or Administrator retiring under the Connecticut State Teachers Retirement System shall be eligible to receive health benefits for self and spouse.

Normal Retirement for Teachers and Administrators is the earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early Retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Not Certified – A retired employee shall be eligible to receive health benefits for self and spouse.

Benefit Provisions

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Connecticut State Teachers’ OPEB. There are two types of the health care benefits offered. Subsidized Local School Town Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School Town Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree’s share of the cost of coverage, any remaining portion is used to offset the district’s cost. The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

Contributions

The Connecticut State Teachers' OPEB contributions made by the State are determined on an actuarial reserve basis.

Participants are required to contribute 1.25% of their annual salary rate to the Connecticut State Teachers' OPEB as required by CGS Section 10-183b (7). For the 2018/2019 school year, \$81,495 mandatory contributions were deducted from the salaries of teachers who were participants of the Connecticut State Teachers' OPEB during that school year. The covered payroll for the Town is \$6,511,600. The Town had 87 active participants in the Connecticut State Teachers' OPEB at June 30, 2019.

Employers are not required to contribute to the Connecticut State Teachers' OPEB. The Town does not contribute to the plan.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2018
Measurement Date	June 30, 2018
Reporting Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal, level percent of salary
Salary increases	3.25% to 6.50%
Inflation rate	2.75%
Discount rate	3.87% as of June 30, 2018, which is based on the 20-bond Municipal Index rate
Healthcare cost trend rates	7.25% for 2018 decreasing to an ultimate rate of 5.00% by 2022
Mortality rates	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

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 – June 30, 2016.

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

The long-term expected rate of return on 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 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 geometric 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>
U.S. treasuries (cash equivalents)	<u>100.0%</u>	3.00%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 3.87 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 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 plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	<u>1% Decrease (2.87%)</u>	<u>Discount rate (3.87%)</u>	<u>1% Increase (4.87%)</u>
Sensitivity of the plan's proportionate share of the net OPEB liability related to the Town	\$ 4,810,034	\$ 4,050,808	\$ 3,444,880

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Sensitivity of the plan's proportionate share of the net OPEB liability related to the Town	\$ 3,394,701	\$ 4,050,808	\$ 4,921,740

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

OPEB liabilities, OPEB expense, and deferred inflows/outflows of resources related to OPEB

The State makes all contributions to the Connecticut State Teachers' OPEB 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. 75 and the State is treated as a non-employer contributing entity in the Connecticut State Teachers' OPEB. Since the districts do not contribute directly to the Connecticut State Teachers' OPEB, there is no net OPEB liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the State's net OPEB liability that was associated with the Town was \$4,050,808 and 100 percent of the collective net OPEB liability is allocated to the State. The Town's proportionate share of the OPEB liability is zero.

The Town recognized the OPEB 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 OPEB expense associated with the Town. For the fiscal year ended June 30, 2019, the Town recognized a negative \$1,345,676 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

Note 15 – Adoption of New Accounting Standard

Effective July 1, 2018, the Town adopted the provisions of 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 adoption of this statement requires the Town to redefine certain funds that were previously reported as fiduciary funds. The effect of this change is to restate the Town's Net Position at June 30, 2018, which increases the Net Position by \$23,302 at June 30, 2018, in the government-wide financial statements and the Fund Balance of the General Fund by \$23,302 at June 30, 2018.

Effective July 1, 2018, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 83, Certain Asset Retirement Obligations. The 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 the statement. The adoption of this statement did not have an effect on the Town's financial statements.

Effective July 1, 2018, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) 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

Town of North Stonington, Connecticut
Notes to Financial Statements
June 30, 2019 (continued)

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 adoption of this statement did not have an effect on the Town's financial statements.

Note 16 – Recently Issued Accounting Standards Not Yet Adopted

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.

Note 17 – Subsequent Events

Subsequent to June 30, 2019, on October 25, 2019, the Town issued \$9,000,000 of general obligation bonds and paid off the bond anticipation notes of \$7,279,446, which were outstanding at June 30, 2019 plus bond anticipation note additional amounts issued subsequent to June 30, 2019. The general obligation bonds mature serially over 30 years and bear interest of 2.75%.

**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

TOWN OF NORTH STONINGTON, 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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	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>20,263,436</u>	<u>21,022,437</u>	<u>22,178,866</u>	<u>16,369,155</u>	<u>15,130,003</u>
Total	<u>\$ 20,263,436</u>	<u>\$ 21,022,437</u>	<u>\$ 22,178,866</u>	<u>\$ 16,369,155</u>	<u>\$ 15,130,003</u>
Town's covered-employee payroll	<u>\$ 6,511,600</u>	<u>\$ 6,440,149</u>	<u>\$ 6,257,403</u>	<u>\$ 6,145,952</u>	<u>\$ 5,900,786</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>	<u>0.00%</u>	<u>0.00%</u>
System fiduciary net position as a percentage of the total pension liability	<u>57.69%</u>	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

Notes to Connecticut State Teachers' 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.

TOWN OF NORTH STONINGTON, CONNECTICUT

**NORTH STONINGTON OTHER POST EMPLOYMENT BENEFITS (OPEB)
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS**

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service costs	\$ 135,814	\$ 149,172
Interest	135,127	121,605
Change in benefit terms	-	-
Difference between expected and actual experience	(1,880,846)	-
Change in assumptions	211,222	(544,396)
Benefit payments, including refunds of contributions	(64,658)	-
Net change in total OPEB liability	(1,463,341)	(273,619)
Total OPEB liability, beginning	4,213,666	4,487,285
Total OPEB liability, ending (a)	<u>\$ 2,750,325</u>	<u>\$ 4,213,666</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ -	\$ -
Contributions - members	64,658	64,495
Net investment income	-	-
Benefit payments (based on expected)	(64,658)	(64,495)
Administrative expenses	-	-
Net change in plan fiduciary net position	-	-
Total fiduciary net position, beginning	-	-
Total fiduciary net position, ending (b)	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability ending (a) - (b)	<u>\$ 2,750,325</u>	<u>\$ 4,213,666</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered-employee payroll	N/A	N/A
Net OPEB liability as a percentage of covered payroll	N/A	N/A

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**CONNECTICUT STATE TEACHERS' OTHER POST EMPLOYMENT BENEFITS (OPEB)
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**

	<u>2019</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>4,050,808</u>	<u>5,410,937</u>
Total	<u>\$ 4,050,808</u>	<u>\$ 5,410,937</u>
Town's covered-employee payroll	<u>\$ 6,511,600</u>	<u>\$ 6,440,149</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>
System fiduciary net position as a percentage of the total OPEB liability	<u>1.49%</u>	<u>1.79%</u>

See accompanying Independent Auditors' Report.

**SUPPLEMENTAL
STATEMENTS AND SCHEDULES**

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Revenues:					
Property taxes, interest and lien fees:					
General property taxes - current	\$ 14,644,870	\$ -	\$ 14,644,870	\$ 14,565,154	\$ (79,716)
General property taxes - past	100,000	-	100,000	137,840	37,840
Supplemental motor vehicles	125,000	-	125,000	150,123	25,123
Interest and lien fees	100,000	-	100,000	92,189	(7,811)
	14,969,870	-	14,969,870	14,945,306	(24,564)
Interest and investment earnings	4,200	-	4,200	4,361	161
Intergovernmental:					
Education cost sharing	2,708,664	-	2,708,664	2,708,663	(1)
Casino revenue	880,690	-	880,690	880,690	-
State aid for town road	240,195	-	240,195	240,483	288
Local and vocational transportation	1	-	1	-	(1)
Local capital improvement program	57,351	-	57,351	88,113	30,762
Police reimbursement	50,003	-	50,003	35,046	(14,957)
Telecommunications revenue share	11,494	-	11,494	9,615	(1,879)
PILOT program reimbursement	12,148	-	12,148	12,148	-
Regional adult education	9,502	-	9,502	11,144	1,642
Veterans exemption reimbursement	6,000	-	6,000	7,242	1,242
Records preservation	4,500	-	4,500	4,500	-
Non-public nurse reimbursement	4,345	-	4,345	4,435	90
Disabled exemption reimbursement	500	-	500	649	149
STEAP	2	-	2	-	(2)
Emergency management	3,000	-	3,000	-	(3,000)
Boombidge road	114,920	-	114,920	50,724	(64,196)
Other	2	-	2	-	(2)
	4,103,317	-	4,103,317	4,053,452	(49,865)
Licenses, fees, fines and charges:					
Licenses, permits, conveyance taxes	102,000	-	102,000	107,590	5,590
Recreation Commission	53,500	-	53,500	47,588	(5,912)
Building official	80,000	-	80,000	52,421	(27,579)
Town Clerk LOCIP	1	-	1	-	(1)
Town Clerk restoration fees	1	-	1	-	(1)
Sanitation	1	-	1	-	(1)
	235,503	-	235,503	207,599	(27,904)

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Other:					
Contractor's tipping fees	\$ 117,800	\$ -	\$ 117,800	\$ 150,757	\$ 32,957
Transfer stickers	1	-	1	-	(1)
Rent Town Property	43,679	-	43,679	33,682	(9,997)
Sale of town vehicles	10,000	-	10,000	1,759	(8,241)
Sanitary landfill - sale of recyclables	12,000	-	12,000	14,618	2,618
SCRRRA subsidy	11,000	-	11,000	13,556	2,556
Miscellaneous	12,000	-	12,000	18,369	6,369
Zoning Enforcement Officer	5,200	-	5,200	8,714	3,514
Planning and Zoning	1,000	-	1,000	2,313	1,313
Inland Wetlands	1,000	-	1,000	784	(216)
Assessor's Office	350	-	350	286	(64)
GIS services	1	-	1	35	34
Conservation Commission	-	-	-	1,030	1,030
Canine account	2,200	-	2,200	1,789	(411)
Fire Marshall	1	-	1	60	59
Resident trooper ticket revenue	5,800	-	5,800	9,185	3,385
Sale of fixed assets	50,000	-	50,000	57,078	7,078
Transfer in deobligated capital projects	415,070	-	415,070	415,972	902
CIRMA credits	5,000	-	5,000	11,030	6,030
	692,102	-	692,102	741,017	48,915
Total revenues	\$ 20,004,992	\$ -	\$ 20,004,992	\$ 19,951,735	\$ (53,257)

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
General Government:					
Salaries:					
First Selectman	\$ 64,948	\$ -	\$ 64,948	\$ 64,948	\$ -
Second Selectman	2,703	-	2,703	2,703	-
Third Selectman	2,703	-	2,703	2,703	-
Secretary	57,978	-	57,978	57,978	-
Bookkeeper	52,146	-	52,146	52,146	-
Selectmen's expenditures	5,000	-	5,000	4,677	323
Office expenditures	3,000	-	3,000	1,673	1,327
Council of Small Towns	825	-	825	825	-
Certifications/seminars	6,250	-	6,250	1,440	4,810
SE CT Council of Governments	2,913	-	2,913	2,913	-
Admin and finance officer	65,000	-	65,000	65,000	-
	<u>263,466</u>	<u>-</u>	<u>263,466</u>	<u>257,006</u>	<u>6,460</u>
Probate Court	<u>2,767</u>	<u>-</u>	<u>2,767</u>	<u>2,782</u>	<u>(15)</u>
Board of Finance:					
Operating expenditures	500	-	500	-	500
Auditing	19,450	425	19,875	20,375	(500)
	<u>19,950</u>	<u>425</u>	<u>20,375</u>	<u>20,375</u>	<u>-</u>
Assessor's Office:					
Salaries:					
Assessor	70,632	-	70,632	70,632	-
Assessor assistant	48,360	-	48,360	48,360	-
Office expenditures	2,450	-	2,450	1,133	1,317
Seminars	435	-	435	-	435
Computer	11,395	-	11,395	11,265	130
Travel expenditures	300	-	300	68	232
Memberships	125	-	125	70	55
	<u>133,697</u>	<u>-</u>	<u>133,697</u>	<u>131,528</u>	<u>2,169</u>
Board of Assessment Appeals	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>665</u>	<u>335</u>
Tax Collector:					
Salaries:					
Tax Collector	44,942	-	44,942	39,223	5,719
Clerical	-	-	-	-	-
Office expenditures	9,000	-	9,000	5,398	3,602
Computer	9,324	-	9,324	9,540	(216)
Mil rate adjustment costs	-	-	-	-	-
Travel expenditures	150	-	150	949	(799)
	<u>63,416</u>	<u>-</u>	<u>63,416</u>	<u>55,110</u>	<u>8,306</u>
Town Treasurer:					
Salary	7,344	-	7,344	7,344	-
	<u>7,344</u>	<u>-</u>	<u>7,344</u>	<u>7,344</u>	<u>-</u>
Town Attorney	<u>20,000</u>	<u>10,471</u>	<u>30,471</u>	<u>30,471</u>	<u>-</u>
Annexation Related:					
Tribal recognition	25,000	(10,471)	14,529	12,649	1,880
	<u>25,000</u>	<u>(10,471)</u>	<u>14,529</u>	<u>12,649</u>	<u>1,880</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Town Clerk:					
Salaries:					
Town Clerk	\$ 48,287	\$ -	\$ 48,287	\$ 48,287	\$ -
Assistant	3,000	-	3,000	3,000	-
Office expenditures	3,500	1,913	5,413	5,408	5
Records restoration grant	4,500	-	4,500	4,500	-
Land records	8,687	350	9,037	9,012	25
	<u>67,974</u>	<u>2,263</u>	<u>70,237</u>	<u>70,207</u>	<u>30</u>
Planning and Zoning Commission:					
Salaries:					
Zoning Officer	73,440	-	73,440	73,440	-
Assistant	42,120	-	42,120	40,115	2,005
Operating expenditures	7,000	-	7,000	5,540	1,460
Travel expenditures	500	-	500	421	79
Attorney	10,000	-	10,000	10,000	-
Contracted consulting services	5,000	-	5,000	4,500	500
Contracted planner	1	-	1	-	1
	<u>138,061</u>	<u>-</u>	<u>138,061</u>	<u>134,016</u>	<u>4,045</u>
Building Department:					
Salaries:					
Building Official	37,128	-	37,128	28,416	8,712
Clerical stipends	2,500	-	2,500	2,500	-
Operating expenditures	3,500	-	3,500	2,313	1,187
Travel expenditures	200	-	200	40	160
	<u>43,328</u>	<u>-</u>	<u>43,328</u>	<u>33,269</u>	<u>10,059</u>
Zoning Board of Appeals	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Affordable housing committee	<u>700</u>	<u>-</u>	<u>700</u>	<u>546</u>	<u>154</u>
School Building and Planning Committee:					
Permanent School Building Committee	2	-	2	-	2
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>
Economic Development Commission:					
Operating expenditures	15,000	-	15,000	6,900	8,100
CT Regional Economic Development	2,154	-	2,154	2,154	-
Consulting	500	-	500	-	500
	<u>17,654</u>	<u>-</u>	<u>17,654</u>	<u>9,054</u>	<u>8,600</u>
Recreation Commission:					
Salaries:					
Administrative	24,830	-	24,830	24,830	-
Camp Directors, etc.	13,946	-	13,946	13,741	205
Program expenditures	50,103	-	50,103	49,924	179
Maintenance	3,700	-	3,700	3,702	(2)
Old fire station expenses	11,000	-	11,000	11,155	(155)
Administrative expenditures	13,665	-	13,665	11,228	2,437
	<u>117,244</u>	<u>-</u>	<u>117,244</u>	<u>114,580</u>	<u>2,664</u>
Inland Wetlands Commission:					
Operating expenditures	750	-	750	249	501
Wages - Enforcement Officer	7,457	-	7,457	7,457	-
	<u>8,207</u>	<u>-</u>	<u>8,207</u>	<u>7,706</u>	<u>501</u>
Conservation Commission	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>1,627</u>	<u>373</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Water Pollution Control Authority:					
WPCA expenditures	\$ 7,000	\$ -	\$ 7,000	\$ 2,943	\$ 4,057
	7,000	-	7,000	2,943	4,057
Fixed Charges:					
Town insurance	78,175	16,345	94,520	94,770	(250)
Volunteer fire co. insurance	1	-	1	2,287	(2,286)
Ambulance association insurance	1	-	1	-	1
Workers compensation insurance	20,640	-	20,640	20,640	-
Social security	128,476	-	128,476	114,977	13,499
Medical insurance	494,902	(16,345)	478,557	412,055	66,502
Employee benefits - pension	128,828	-	128,828	121,304	7,524
Volunteer incentive award - fire	33,000	-	33,000	33,000	-
Volunteer activity stipend - fire	52,000	-	52,000	52,000	-
Volunteer incentive ambulance	7,500	-	7,500	5,890	1,610
	943,523	-	943,523	856,923	86,600
Elections and Town Meetings:					
Salaries:					
Registrar of Voters	6,400	-	6,400	6,400	-
Registrar of Voters	6,400	-	6,400	6,400	-
Expenses	18,000	-	18,000	13,241	4,759
	30,800	-	30,800	26,041	4,759
Town Hall:					
Expenditures	44,600	-	44,600	42,670	1,930
Leasing equipment	9,200	-	9,200	9,550	(350)
Communication commission	6,000	-	6,000	4,315	1,685
Holly Green rental - nursing	5,840	(909)	4,931	2,643	2,288
Quarterly newsletter	4,400	-	4,400	4,166	234
	70,040	(909)	69,131	63,344	5,787
Social Services/Welfare:					
Welfare	2,000	-	2,000	-	2,000
New London Hospitality Center	2,000	-	2,000	2,000	-
Pawcatuck Neighborhood Center	25,000	-	25,000	25,000	-
Family services	1,000	-	1,000	-	1,000
American Red Cross	-	-	-	-	-
Women's Center	2,500	-	2,500	2,500	-
Frank Olean Regional Center	2,000	-	2,000	2,000	-
NL County ARC	1,575	-	1,575	1,575	-
TVCCA	1,500	-	1,500	1,500	-
Mystic Shelter	2,000	-	2,000	2,000	-
Sex assault crisis center	500	-	500	-	500
	40,075	-	40,075	36,575	3,500
Selectmen's Engineering Service:					
Engineering for selectmen	2,500	-	2,500	-	2,500
Inspection of existing roads	-	-	-	-	-
	2,500	-	2,500	-	2,500

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Information Technology:					
Coordinator	\$ 49,405	\$ -	\$ 49,405	\$ 49,722	\$ (317)
Office expense	300	-	300	220	80
Open government	17,500	(3,308)	14,192	13,300	892
Digitized maintenance	11,325	-	11,325	11,165	160
Computer maintenance	15,085	-	15,085	14,982	103
	<u>93,615</u>	<u>(3,308)</u>	<u>90,307</u>	<u>89,389</u>	<u>918</u>
Public Safety:					
911 dispatching	52,819	-	52,819	52,819	-
Volunteer fire company	129,413	-	129,413	129,413	-
Fire Marshal	12,859	-	12,859	12,859	-
Fire Marshal operating expenditures	1,800	-	1,800	1,233	567
State troopers	437,232	-	437,232	358,037	79,195
State trooper DUI grant	50,000	-	50,000	37,416	12,584
Civil preparedness agency stipend	6,630	-	6,630	6,630	-
Civil preparedness expenditures	3,000	-	3,000	2,745	255
Emergency generator service contract	1,650	-	1,650	1,297	353
Animal control salary	21,950	-	21,950	21,950	-
Animal control training	1,000	-	1,000	-	1,000
Animal control operating expenditures	6,500	-	6,500	4,818	1,682
Center for Emergency Services	81,818	-	81,818	56,616	25,202
Ambulance association	248,700	-	248,700	248,700	-
	<u>1,055,371</u>	<u>-</u>	<u>1,055,371</u>	<u>934,533</u>	<u>120,838</u>
Public Works:					
Highway:					
Local capital improvements	56,072	-	56,072	56,072	-
State aided - town roads	240,036	-	240,036	239,684	352
Town road maintenance	175,000	-	175,000	177,917	(2,917)
Town garage expenditures	22,500	-	22,500	18,073	4,427
Machinery and maintenance repairs	68,000	-	68,000	67,094	906
Street lights	12,000	-	12,000	8,184	3,816
Highway foreman	75,550	-	75,550	75,550	-
Labor	563,362	-	563,362	517,903	45,459
Supplies	36,000	-	36,000	29,546	6,454
Diesel and gas	52,250	-	52,250	47,691	4,559
Town property - maintenance	7,500	-	7,500	7,222	278
Town property - labor	32,381	(8,030)	24,351	17,794	6,557
Tree warden	1,500	1,250	2,750	2,750	-
Hewitt farm property	5,000	-	5,000	5,011	(11)
Tree maintenance	18,000	-	18,000	17,324	676
Contracted services	18,000	-	18,000	12,769	5,231
	<u>1,383,151</u>	<u>(6,780)</u>	<u>1,376,371</u>	<u>1,300,584</u>	<u>75,787</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Sanitary Landfill:					
Labor	\$ 124,949	\$ 6,780	\$ 131,729	\$ 126,005	\$ 5,724
State mandated surveys	3,500	-	3,500	-	3,500
State license fees	3,200	-	3,200	2,275	925
SCRRA - tipping fees	172,500	-	172,500	229,697	(57,197)
SCRRA - membership fee	500	-	500	-	500
Hazardous waste collection	1,500	-	1,500	-	1,500
Water sampling /lab testing	16,128	-	16,128	18,790	(2,662)
Transfer station expenditures	11,200	-	11,200	7,070	4,130
Contractual services	22,000	-	22,000	15,215	6,785
	<u>355,477</u>	<u>6,780</u>	<u>362,257</u>	<u>399,052</u>	<u>(36,795)</u>
Total public works	1,738,628	-	1,738,628	1,699,636	38,992
Conservation of Health:					
Public Health Nursing/VNA	1,836	-	1,836	1,332	504
Director of Health	1	-	1	-	1
Sanitarian food service wages	1	-	1	-	1
Sanitarian well and septic salary	1	-	1	-	1
Health district	38,847	-	38,847	38,847	-
	<u>40,686</u>	<u>-</u>	<u>40,686</u>	<u>40,179</u>	<u>507</u>
Senior Citizens:					
Agent for the Elderly wages	12,864	-	12,864	12,864	-
Agent for the Elderly operating expenditures	400	-	400	115	285
Senior Citizens Center Coordinator	22,816	-	22,816	22,816	-
Senior Citizens Center - operating expenditures	25,500	-	25,500	25,431	69
	<u>61,580</u>	<u>-</u>	<u>61,580</u>	<u>61,226</u>	<u>354</u>
Miscellaneous:					
Cemeteries	4,500	-	4,500	4,500	-
Tax refunds	1	1,529	1,530	1,530	-
Annual memberships and dues	3,500	-	3,500	3,320	180
Lake Association weed control	15,000	-	15,000	15,000	-
Wheeler Library	30,000	-	30,000	30,000	-
Miscellaneous	750	-	750	274	476
	<u>53,751</u>	<u>1,529</u>	<u>55,280</u>	<u>54,624</u>	<u>656</u>
Total general government expenditures	5,070,379	-	5,070,379	4,755,348	315,031

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Redemption of Debt:					
School Modernization BAN	\$ 750,000	\$ -	\$ 750,000	\$ 750,000	\$ -
ESC BAN principal	276,180	-	276,180	276,180	-
	1,026,180	-	1,026,180	1,026,180	-
Education	13,514,959	-	13,514,959	13,508,608	6,351
Capital Outlay:					
Public Works:					
Dump truck refurbish	10,000	-	10,000	10,000	-
Miscellaneous equipment	5,000	-	5,000	5,000	-
Sweeper	1	-	1	-	1
218 Ford F250	35,785	-	35,785	35,785	-
	50,786	-	50,786	50,785	1
Transfer station/bulk waste area:					
Transfer station/bulky waste area	5,000	-	5,000	5,000	-
Transfer Station/Bulk Waste Area	5,000	-	5,000	5,000	-
Selectmen:					
Ambulance equipment	12,990	-	12,990	12,990	-
Computer - Town Hall	13,500	-	13,500	13,500	-
Boombridge	-	316,000	316,000	316,000	-
Recreation pavilion & fields	2,500	-	2,500	2,500	-
Open space acquisition	10,000	-	10,000	10,000	-
Selectmen's office equipment and furniture	1,500	-	1,500	1,500	-
Town buildings maintenance	20,000	-	20,000	20,000	-
Town clerk - records preservation	4,500	-	4,500	4,500	-
Fire company - equipment/hose	4,500	-	4,500	4,500	-
Fire company - auto	-	-	-	-	-
Fire company - turnout gear	13,750	-	13,750	13,750	-
Building Dept inspection vehicle	18,000	-	18,000	18,000	-
Wheeler Library survey	10,000	-	10,000	10,000	-
Civil preparedness	1,000	-	1,000	1,000	-
Other	7	-	7	-	7
Fire company breathing apparatus	48,795	-	48,795	48,795	-
NSAA Ambulance lease	67,760	-	67,760	67,760	-
Fire company - other	3	-	3	-	3
Transfer in from other funds		(316,000)	(316,000)	-	(316,000)
	228,805	-	228,805	544,795	(315,990)
Assessor Revaluation Expense	35,000	-	35,000	35,000	-
ESC capital	1	-	1	-	1
Total capital outlay	319,592	-	319,592	635,580	(315,988)
Total expenditures	\$ 19,931,110	\$ -	\$ 19,931,110	\$ 19,925,716	\$ 5,394

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019

	School Lunch Fund	Education Grants	Inland Wetland Mitigation	Open Space	C-PACE	Scholarships Held by School	Recreation Gift Fund	Total
Assets								
Cash and cash equivalents	\$ 94,069	\$ -	\$ -	\$ -	\$ 2,000	\$ 36,357	\$ -	\$ 132,426
Receivables	25,509	22,253	-	-	-	-	-	47,762
Inventory	7,729	-	-	-	-	-	-	7,729
Due from other funds	-	-	13,287	10,016	-	-	3,126	26,429
Total assets	\$ 127,307	\$ 22,253	\$ 13,287	\$ 10,016	\$ 2,000	\$ 36,357	\$ 3,126	\$ 214,346
Liabilities and Fund Balances (Deficits)								
Liabilities:								
Due to other funds	\$ -	\$ 16,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,240
Accrued expenses	20,674	4,303	-	-	-	-	-	24,977
Deferred grant revenue	-	8,386	-	-	-	-	-	8,386
Total liabilities	20,674	28,929	-	-	-	-	-	49,603
Fund Balances (Deficits):								
Nonspendable	7,729	-	-	-	-	-	-	7,729
Restricted	-	-	-	-	-	36,357	-	36,357
Committed	-	-	13,287	10,016	-	-	3,126	26,429
Assigned	98,904	-	-	-	2,000	-	-	100,904
Unassigned	-	(6,676)	-	-	-	-	-	(6,676)
Total fund balances (deficits)	106,633	(6,676)	13,287	10,016	2,000	36,357	3,126	164,743
Total liabilities and fund balances (deficits)	\$ 127,307	\$ 22,253	\$ 13,287	\$ 10,016	\$ 2,000	\$ 36,357	\$ 3,126	\$ 214,346

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019**

	School Lunch Fund	Education Grants	Inland Wetland Mitigation	Open Space	C-PACE	Scholarships Held by School	Recreation Gift Fund	Total
Revenues:								
Intergovernmental	\$ 71,580	\$ 268,074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 339,654
Local	175,767	-	13	9	31,057	4,000	-	210,846
Total revenues	<u>247,347</u>	<u>268,074</u>	<u>13</u>	<u>9</u>	<u>31,057</u>	<u>4,000</u>	<u>-</u>	<u>550,500</u>
Expenditures:								
Current:								
General government	-	-	-	-	30,557	-	-	30,557
Education	226,711	269,180	-	-	-	5,310	-	501,201
Total expenditures	<u>226,711</u>	<u>269,180</u>	<u>-</u>	<u>-</u>	<u>30,557</u>	<u>5,310</u>	<u>-</u>	<u>531,758</u>
Excess of revenues over (under) expenditures	<u>20,636</u>	<u>(1,106)</u>	<u>13</u>	<u>9</u>	<u>500</u>	<u>(1,310)</u>	<u>-</u>	<u>18,742</u>
Other Financing Sources (Uses):								
Transfers in (out)	-	-	-	-	-	-	2,406	2,406
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,406</u>	<u>2,406</u>
Net change in fund balances (deficits)	20,636	(1,106)	13	9	500	(1,310)	2,406	21,148
Fund balances (deficits), beginning of year	<u>85,997</u>	<u>(5,570)</u>	<u>13,274</u>	<u>10,007</u>	<u>1,500</u>	<u>37,667</u>	<u>720</u>	<u>143,595</u>
Fund balances (deficits), end of year	<u>\$ 106,633</u>	<u>\$ (6,676)</u>	<u>\$ 13,287</u>	<u>\$ 10,016</u>	<u>\$ 2,000</u>	<u>\$ 36,357</u>	<u>\$ 3,126</u>	<u>\$ 164,743</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

FIDUCIARY FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019

	General Government Retirement	Board of Education Retirement	Total
<u>Assets</u>			
Investments	\$ 2,194,356	\$ 1,220,551	\$ 3,414,907
Other receivables	92,856	-	92,856
Total assets	<u>\$ 2,287,212</u>	<u>\$ 1,220,551</u>	<u>\$ 3,507,763</u>
<u>Fund Balances</u>			
Fund Balances:			
Held in trust for pension benefits and other purposes	<u>\$ 2,287,212</u>	<u>\$ 1,220,551</u>	<u>\$ 3,507,763</u>
Total fund balances	<u>\$ 2,287,212</u>	<u>\$ 1,220,551</u>	<u>\$ 3,507,763</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**FIDUCIARY FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019**

	General Government Retirement	Board of Education Retirement	Total
<u>Additions:</u>			
Employer contributions	\$ 110,346	\$ 52,096	\$ 162,442
Investment earnings	96,799	22,084	118,883
Total additions	<u>207,145</u>	<u>74,180</u>	<u>281,325</u>
<u>Deductions:</u>			
Distributions	28,141	15,000	43,141
Administrative expenses	31	-	31
Total deductions	<u>28,172</u>	<u>15,000</u>	<u>43,172</u>
Net increase (decrease)	178,973	59,180	238,153
Fund balances, beginning of year	<u>2,108,239</u>	<u>1,161,371</u>	<u>3,269,610</u>
Fund balances, end of year	<u>\$ 2,287,212</u>	<u>\$ 1,220,551</u>	<u>\$ 3,507,763</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

FIDUCIARY FUNDS
 OTHER FIDUCIARY FUNDS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 JUNE 30, 2019

	Student Activity Fund	Performance Bonds	Total
<u>Assets</u>			
Beginning balance - cash	\$ 99,748	\$ 132,217	\$ 203,045
Additions	198,309	-	198,309
Deductions	212,803	132,217	345,020
Ending balance - cash	85,254	-	56,334
Total assets	\$ 85,254	\$ -	\$ 56,334
<u>Liabilities</u>			
Beginning balance - due to student groups	\$ 99,748	\$ -	\$ 72,937
Additions	198,309	-	198,309
Deductions	212,803	-	212,803
Ending balance - due to student groups	85,254	-	58,443
Beginning balance - due to developers	-	109,691	106,855
Additions	-	-	-
Deductions	-	109,691	109,691
Ending balance - due to developers	-	-	(2,836)
Beginning balance - due to other funds	-	22,526	23,253
Additions	-	-	-
Deductions	-	22,526	22,526
Ending balance - due to other funds	-	-	727
Total liabilities	\$ 85,254	\$ -	\$ 56,334

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**CAPITAL NONRECURRING FUND
SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	Beginning Balance	General Fund Budget	Additional Transfers	Internal Transfers	Revenues	Total Available	Expenditures	Ending Balance
Restricted fund balance								
Town Clerk document restoration	\$ 5,247	\$ 1,877	\$ -	\$ -	\$ -	\$ 7,124	\$ -	\$ 7,124
LOCIP capital improvements	27,582	1,548	-	-	-	29,130	-	29,130
Total restricted	<u>32,829</u>	<u>3,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,254</u>	<u>-</u>	<u>36,254</u>
Committed fund balance								
Revaluation	130,538	35,000	-	-	-	165,538	-	165,538
Town equipment	5,000	5,000	-	-	-	10,000	-	10,000
Nonrecurring school funds	-	-	-	-	-	-	-	-
Transfer station improvements	5,000	-	-	-	-	5,000	-	5,000
Town Clerk preservation	1,031	4,500	-	-	-	5,531	-	5,531
Total committed	<u>141,569</u>	<u>44,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,069</u>	<u>-</u>	<u>186,069</u>
Total	<u>\$ 174,398</u>	<u>\$ 47,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222,323</u>	<u>\$ -</u>	<u>\$ 222,323</u>

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**CAPITAL PROJECTS FUND
SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	Beginning Balance	General Fund Budget	Transfers to General Fund	Internal Transfers	Revenues	Total Available	Expenditures	Ending Balance
Restricted fund balance								
Water study 1-95 (STEAP)	\$ 36,679	\$ -	\$ (36,679)	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer study (STEAP)	142,336	-	-	-	-	142,336	11,140	131,196
Village water line (STEAP)	16,899	-	(16,899)	-	-	-	-	-
Total restricted	<u>195,914</u>	<u>-</u>	<u>(53,578)</u>	<u>-</u>	<u>-</u>	<u>142,336</u>	<u>11,140</u>	<u>131,196</u>
Committed fund balance								
Boombridge	71,592	316,000	-	-	-	387,592	39,067	348,525
Ambulance Association equipment	46,627	12,990	(45,607)	-	-	14,010	11,878	2,132
Town Hall computer	1,256	13,500	-	-	-	14,756	14,133	623
Transfer Station improvements	-	5,000	-	-	-	5,000	4,253	747
Dump truck refurbishments	-	10,000	-	3,304	-	13,304	5,641	7,663
Building Department vehicle	-	18,000	-	-	-	18,000	17,885	115
Selectmen furniture	-	1,500	-	-	-	1,500	1,500	-
CAT 963 bottom refurbish	1,150	-	-	-	-	1,150	-	1,150
Salt & sand building roof	63,987	-	-	-	-	63,987	48,670	15,317
Town boiler	22,000	-	-	-	-	22,000	14,602	7,398
Wheeler Library survey	-	10,000	-	-	-	10,000	10,000	-
Land acquisition	60,000	10,000	-	-	-	70,000	-	70,000
Town building repair	35	20,000	-	-	-	20,035	10,569	9,466
Civil preparedness	1,000	1,000	(1,000)	-	-	1,000	1,000	-
Narrow band radio upgrade	101,295	-	(101,437)	-	-	(142)	(142)	-
Recreation pavilion & fields	1,931	2,500	-	-	-	4,431	1,240	3,191
Town buildings - abate and demolish	93,244	-	-	-	-	93,244	64,436	28,808
Farm house	450	-	-	-	-	450	450	-
NSAA ambulance	213,900	-	(213,900)	-	-	-	-	-
2018 Ford F150	-	35,785	-	-	-	35,785	35,785	-
Fire Department training, rescue, scuba gear, hose	-	18,250	-	-	-	18,250	18,250	-
Capital lease - breathing apparatus	-	48,795	-	-	-	48,795	48,795	-
Capital lease - Ambulance	-	67,760	-	-	-	67,760	64,685	3,075
Forestry truck	327	-	-	-	-	327	-	327
Bucket truck (used)	3,304	-	-	(3,304)	-	-	-	-
Total committed	<u>682,098</u>	<u>591,080</u>	<u>(361,944)</u>	<u>-</u>	<u>-</u>	<u>911,234</u>	<u>412,697</u>	<u>498,537</u>
Total	<u>\$ 878,012</u>	<u>\$ 591,080</u>	<u>\$ (415,522)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,053,570</u>	<u>\$ 423,837</u>	<u>\$ 629,733</u>

-62- See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual	Variance With Final Budget Positive (Negative)
	Original	Transfers	Final		
Salaries:					
Central office	\$ 682,576	\$ (3,903)	\$ 678,673	\$ 663,444	\$ 15,229
Administrators	401,476	-	401,476	401,671	(195)
Teachers	6,084,312	(65,471)	6,018,841	6,014,751	4,090
Guidance	131,385	-	131,385	129,994	1,391
Secretarial	172,396	-	172,396	167,669	4,727
Teacher assistants	336,990	3,298	340,288	335,818	4,470
Library/media	141,948	-	141,948	97,985	43,963
Custodial/grounds	412,002	-	412,002	413,342	(1,340)
Central office	127,227	-	127,227	164,582	(37,355)
Contracted services	65,000	32,885	97,885	93,831	4,054
Instructional supplies	134,790	-	134,790	199,428	(64,638)
Other expenses, schools	142,754	-	142,754	148,727	(5,973)
Supplies, health	3,500	-	3,500	4,037	(537)
Transportation	1,018,999	23,502	1,042,501	1,037,156	5,345
Heat	109,350	-	109,350	81,036	28,314
Utilities	191,682	-	191,682	170,251	21,431
Custodial supplies	55,004	-	55,004	64,337	(9,333)
Postage	3,500	-	3,500	2,978	522
Maintenance services	236,633	-	236,633	288,414	(51,781)
Lease of equipment	40,704	-	40,704	41,228	(524)
Replacement of equipment	51,866	-	51,866	72,113	(20,247)
Social security	212,018	-	212,018	212,934	(916)
Employee benefits	2,223,387	66,076	2,289,463	2,321,527	(32,064)
Employee retirement	73,806	-	73,806	78,560	(4,754)
Student activities	96,750	(23,502)	73,248	52,867	20,381
Equipment	4,500	-	4,500	679	3,821
Tuition	360,404	(32,885)	327,519	249,249	78,270
Total expenditures	\$ 13,514,959	\$ -	\$ 13,514,959	\$ 13,508,608	\$ 6,351

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**STATEMENT OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2019**

Total tax collections including interest and lien fees for the year ended June 30, 2018	\$ 15,301,954
Reimbursement for revenue loss on:	
Tax Relief for Elderly (CGS 12-129d)	-
Base	<u><u>\$ 15,301,954</u></u>

	<u>General</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2 1/4 times base	\$ 34,429,397	\$	\$	\$	\$
4 1/2 times base		68,858,793			
3 3/4 times base			57,382,328		
3 1/4 times base				49,731,351	
3 times base					45,905,862
Total debt limitation	<u>34,429,397</u>	<u>68,858,793</u>	<u>57,382,328</u>	<u>49,731,351</u>	<u>45,905,862</u>
Indebtedness:					
Bond anticipation notes payable	4,798,768	16,279,446	-	-	-
Authorized but unissued	<u>-</u>	<u>15,803,260</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total indebtedness	<u>4,798,768</u>	<u>32,082,706</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u><u>\$ 29,630,629</u></u>	<u><u>\$ 36,776,087</u></u>	<u><u>\$ 57,382,328</u></u>	<u><u>\$ 49,731,351</u></u>	<u><u>\$ 45,905,862</u></u>

NOTE: In no case shall total indebtedness exceed seven times annual receipts from taxation.

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

**REPORT OF THE TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2019**

Grand List October 1,	Taxes Receivable July 1, 2018	Lawful Corrections		Suspense Transfers	Taxes Receivable	Collections			Taxes Receivable June 30, 2019
		Additions	Deductions			Taxes	Interest and Liens	Total	
2017	\$ 14,991,287	\$ 20,194	\$ 43,601	\$ (620)	\$ 14,967,260	\$ 14,692,899	\$ 45,508	\$ 14,738,407	\$ 274,361
2016	196,731	334	4,514	(689)	191,862	91,095	23,847	114,942	100,767
2015	53,314	-	80	(592)	52,642	31,971	9,068	41,039	20,671
2014	16,614	-	-	(667)	15,947	5,616	3,014	8,630	10,331
2013	19,746	-	-	(751)	18,995	3,495	1,274	4,769	15,500
2012	8,543	-	-	-	8,543	559	536	1,095	7,984
2011	6,007	-	-	-	6,007	519	592	1,111	5,488
2010	7,315	-	-	-	7,315	724	948	1,672	6,591
2009	3,646	-	-	-	3,646	721	1,073	1,794	2,925
2008	2,148	-	-	-	2,148	712	1,188	1,900	1,436
2007	2,100	-	-	-	2,100	696	1,288	1,984	1,404
2006	1,843	-	-	-	1,843	664	1,349	2,013	1,179
2005	1,832	-	-	-	1,832	664	1,468	2,132	1,168
2004	748	-	-	3	751	204	504	708	547
2003	1,029	-	-	-	1,029	200	532	732	829
	<u>\$ 15,312,903</u>	<u>\$ 20,528</u>	<u>\$ 48,195</u>	<u>\$ (3,316)</u>	<u>\$ 15,281,920</u>	<u>\$ 14,830,739</u>	<u>\$ 92,189</u>	<u>\$ 14,922,928</u>	<u>\$ 451,181</u>

See accompanying Independent Auditors' Report.