TOWN OF NORTH STONINGTON

ANNUAL REPORT

FOR

FISCAL YEAR

2016-2017

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Town of North Stonington Annual Report 2016-2017

Forward

The Connecticut General Statues 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.

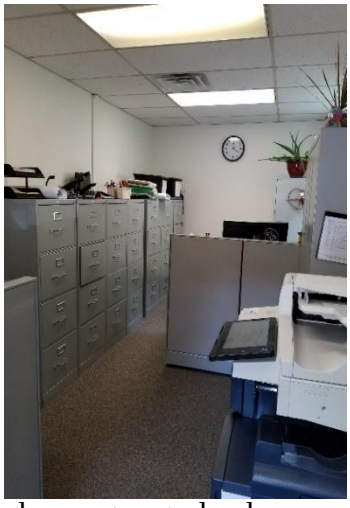
Attached are the reports that were received from each department in response to our request.

BOARD OF SELECTMEN

First Selectman: Shawn Murphy

Selectman: Mark Donahue

Selectman: Nick Mullane



Our town is in the midst of the two largest infrastructure improvements the town has seen: construction of a new Center for Emergency Services, which will house our Ambulance and Fire teams, and a new Middle/High School and completely renovated Elementary school. North Stonington has been in need of these improvements for many years and low interest rates combined with nearly zero town debt made this a great time to make these improvements.

During 2017 we accomplished a great many things. We were able to paint the old town hall and complete some renovations inside the new town hall building. We built a storage shed for some of our large equipment at the highway garage and the Highway garage loader was refurbished and overhauled. Major drainage repair work replacing rotten metal pipes with concrete pipes on all of Northwest Corner Rd and two on Wyassup Rd. Road repairs have been completed on Boombridge Rd, Grindstone Hill Rd, Fowler Rd, Stillman Rd, Stillman Rd Ext., Kingswood / Meadow Wood developments; Anna Farm East had new drainage and widening of the road.

We plan to join a health district as we will no longer have an in-house sanitarian as of October. Ledge Light health will service North Stonington and we are excited about the ability to respond quickly now to applications and inspections with our new partners.

We also updated our website for a more user-friendly feel. You may see we are becoming more active using our "News and Announcements" where we email information, agendas, and minutes out along with other communication. Please visit our website at www.northstoningtonct.gov to sign up for these. You also can follow us on our new social media sites on Facebook, Twitter, & Instagram.

Looking toward the future there are great things ahead. 2018 will see our Emergency services complex open, and our schools begin their extensive renovations. We have a solar initiative, which is going in next to I95 exit 92 where you will see large solar arrays going in to help power the area with clean energy. We will be looking at ways to help create more efficiencies and government transparency with the help of new software, which we hope to implement in early 2018. We are working to come up with solutions to encourage more development in line with our plan of conservation and development along the route 2/95 corridor and by Foxwoods.

Most importantly, we are thrilled with the people who continue to volunteer and work hard in all capacities in the community. As you see driving into town our sign says..." we appreciate our volunteers". This is very true and furthermore in our small community our volunteers are essential to running our town.

BOARD OF FINANCE

Members:

Tim Main II, Chairman
Charles Steinhart IV, Vice Chairman
Tim Pelland, Secretary
Mustapha Ratib
Carolyn Howell
Emile Pavlovics
Robert Testa (Alternate)
Chris Hundt (Alternate)

During the Fiscal year 2016/2017 the Board of Finance met twenty-six times.

The Board of Finance found itself challenged with providing a revised budget to the taxpayers of North Stonington. It was not until the Fall of 2016 that the Board of Finance produced a budget believed to be fiscally responsible in keeping all services intact. This budget provided funding for programs related to social and public services, education, sports programs, after school activities, the recreation departments, as well as public safety. The Board also felt that the budget presented a sound fiscal policy, meeting future commitments while sustaining a strong fiscal profile.

The Highway Department, Town and School Employees all received their contractual pay increases. Where other towns were eliminating jobs to balance their budgets, the board felt the reductions in spending were effective, without impacting services. Ultimately the budget was passed at referendum on November 28, 2016 after failed referendums dated June 20, 2016 and September 20, 2016.

The Board worked on improving communications with other Boards/Commissions and continues to encourage the public to read the meeting minutes posted onto the Town Website and to attend meetings and participate at meetings so as to be well informed.

The Board of Finance meets at the New Town Hall Wednesdays at 7:30pm as scheduled.

ASSESSOR'S OFFICE

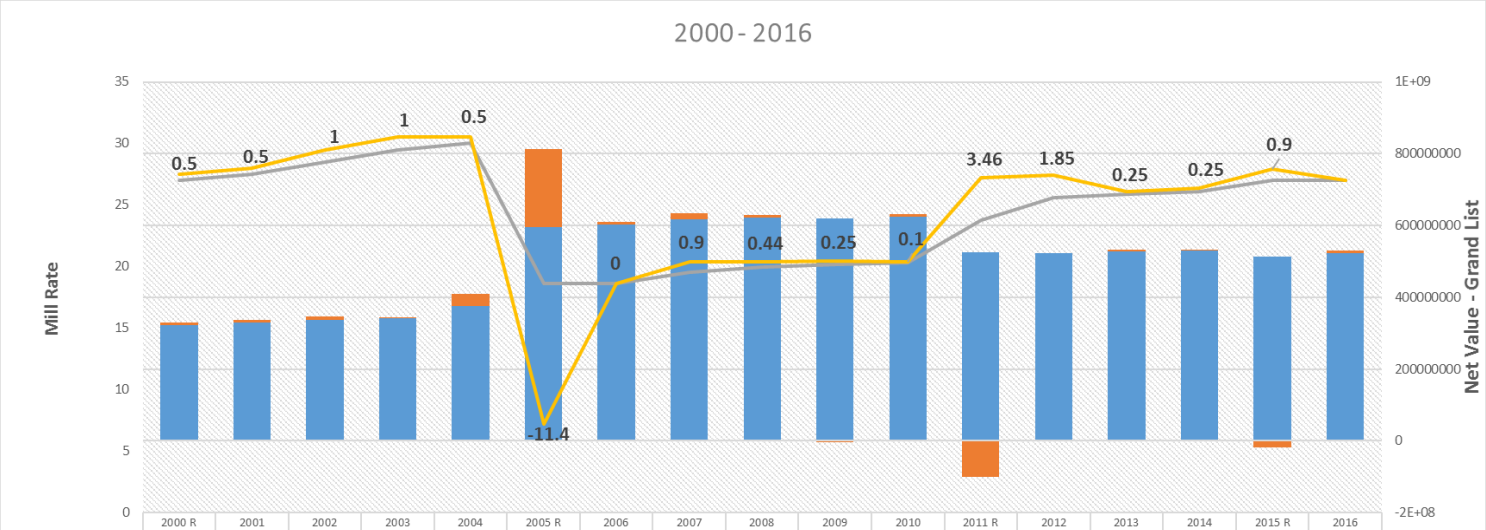
Tax Assessor: Darryl DelGrosso **Contact:** 860-535-2877 Ext. 23

Administrative Assistant: Cecile McGrath **Contact**: 860-535-2877 Ext. 24

Real estate values are slowly starting to increase. From July 1, 2016 to June 30, 2017, 114 properties transferred. There were 18 sales between $10 & $100,000, 26 sales between $100,001 & $200,000, 38 sales between $200,001 & $300,000 and 20 sales between $300,001 & $400,000 and the town recorded 12 sales above $400,001.

Property owners continue to take advantage of Connecticut Public Act 490 which allows a reduced assessment on farm land and forest land. The program allows land owners to keep land out of the hands of developers and contributes to the rural character of North Stonington. Parcels that have 25 acres or more of trees may qualify for a forest land classification, and land used to produce a profit in an agricultural activity may qualify for a farming classification. See the assessor for more information or you can read about the programs on the internet at www.cfba.org.

Change in Mill Rate and Net Value of the Grand List 2000-2016



	2000 R	2001	2002	2003	2004	2005 R	2006	2007	2008	2009	2010	2011 R	2012	2013	2014	2015 R	2016
$ Change	5503558	7051380	7760159	3190266	34363635	218791633	7506325	15806879	5573722	-2634094	5120126	-100418686	-1836289	4537230	2660394	-17674100	9209709
Net Grand List	323059825	330111205	337871364	341061630	375425265	594216898	601723223	617530102	623103824	620469730	625589856	525171170	523334881	527872111	530532505	512858405	522068114
Change	0.5	0.5	1	1	0.5	-11.4	0	0.9	0.44	0.25	0.1	3.46	1.85	0.25	0.25	0.9	0
Mill Rate	27	27.5	28.5	29.5	30	18.6	18.6	19.5	19.94	20.19	20.29	23.75	25.6	25.85	26.1	27	27

BOARD OF ASSESSMENT APPEALS

MEMBERS:

Paula Woodward, Chairperson
Charlie Burger III
Candy Palmer

The Board met in March to hear six appeals on real estate and/or personal property. The Board met in September for the purpose of appeals on motor vehicles only – no appeals were heard.

TAX COLLECTOR

Tax Collector: Amy Snell **Contact:** 860-535-2877 Ext. 20

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 (2015 Grand List) collected as of June 30, 2017, was 97.82%. The total collection rate including all taxes collected, current and prior years, interest and lien fees was 101.65%, $227,617.55 more was collected than budgeted for total tax revenue.

The following is a breakdown of total collections for the fiscal year ending June 30, 2017:

FISCAL YEAR 2016/2017
TOWN OF NORTH STONINGTON
TAX COLLECTOR'S REPORT
FOR YEAR TO DATE

Grand List Year	Uncollected Taxes July 1, 2016	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2017
			Additions	Deductions			Taxes	Interest and Liens	Total	
2015		13,953,065.54	114,213.89	(54,233.09)	0.00	14,013,046.34	13,706,985.75	51,409.16	13,758,394.91	306,060.59
2014	357,710.62		166.26	(5,962.73)	(291.02)	351,914.15	140,486.05	34,028.07	174,514.12	211,137.08
2013	202,096.65		298.18	(4,909.50)	(5,579.94)	197,485.33	34,304.65	14,148.98	48,453.63	157,600.74
2012	41,431.85		0.02	(342.28)	(13,445.44)	41,089.59	11,914.56	8,632.42	20,546.98	15,729.59
2011	36,502.34		0.02	0.00	(26,140.07)	36,502.36	3,823.83	2,786.42	6,610.25	6,538.46
2010	28,343.27		0.00	0.00	(20,975.19)	28,343.27	0.00	34.00	34.00	7,368.08
2009	25,864.95		0.00	0.00	(21,684.37)	25,864.95	0.00	104.91	104.91	4,180.58
2008	19,143.01		0.00	0.00	(13,358.30)	19,143.01	129.06	591.69	720.75	5,655.65
2007	2,570.35		0.00	0.00	0.00	2,570.35	0.00	0.00	0.00	2,570.35
2006	2,292.84		0.00	0.00	0.00	2,292.84	0.00	0.00	0.00	2,292.84
2005	2,281.13		0.00	0.00	0.00	2,281.13	0.00	0.00	0.00	2,281.13
2004	1,225.32		0.00	0.00	0.00	1,225.32	0.00	0.00	0.00	1,225.32
2003	1,028.69		0.00	0.00	0.00	1,028.69	0.00	0.00	0.00	1,028.69
2002	953.91		0.00	0.00	0.00	953.91	0.00	0.00	0.00	953.91
2001	1,047.49		0.00	0.00	0.00	1,047.49	0.00	0.00	0.00	1,047.49
Total	722,492.42	13,953,065.54	114,678.37	-65,447.60	-101,474.33	14,724,788.73	13,897,643.90	111,735.65	14,009,379.55	725,670.50

Respectfully submitted,
Amy K. Snell, Tax Collector

TOWN CLERK

Town Clerk: Norma Holliday
(Antoinette Pancaro, CMC, CCTC as of 1/2018) **Contact:** 860-535-2877 Ext. 21

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, 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 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. A low-cost rabies clinic ($15.00) was offered by Dr. Stephen Morrone on Saturday, June 3, 2017 between the hours of 10:00 A.M. to 12:30 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.

September 20, 2016
Referendum Results

The September 20, 2016 Special Town Meeting reconvened at 8:07 pm on Tuesday, September 20, 2016 by First Selectman Shawn Murphy following the Referendum, the results were read by the Referendum Moderator Deborah Barnes:

1. Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the annual General Government budget including Redemption of Debt for fiscal year July 1, 2016 through June 30, 2017 in the amount of $5,134,170 and make specific appropriations and authorize expenditures in connection therewith as appear advisable? **291 YES** **645 NO**

Advisory Question 1A
If you voted NO to Question 1, do you feel the budget is?
346 TOO LOW **309 TOO HIGH**

Advisory Question 1B
If you voted TOO LOW to Advisory Question 1A, should the $40,000 amount removed from the Highway Labor line item be restored?
38 YES **110 NO**

Advisory Question 1C
If you voted TOO LOW to Advisory Question 1A, should the $50,000 amount removed from the Town Road Maintenance line item be restored?

368 YES 111 NO

Advisory Question 1D
If you voted TOO LOW to Advisory Question 1A, should the $15,000 amount removed from the Abatement/Demolition of Town Buildings line item be restored?

298 YES 172 NO

2. Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the annual Board of Education budget for fiscal year July 1, 2016 through June 30, 2017 in the amount of $12,875,068 and make specific appropriations and to authorize expenditures in connection therewith as appear advisable?

505 YES 425 NO

Advisory Question 2
If you voted NO to Question 2, do you feel the budget is?

35 TOO LOW 392 TOO HIGH

3. Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the annual Capital budget for fiscal year July 1, 2016 through June 30, 2017 in the amount of $882,923 and make specific appropriations and authorize expenditures in connection therewith as appear advisable?

280 YES 598 NO

Advisory Question 3A
If you voted NO to Question 3, do you feel the budget is?

33 TOO LOW 581 TOO HIGH

Advisory Question 3B
If you voted TOO HIGH to Advisory Question 3A, should the $425,000 amount included in the Capital budget as pre-payment for the Emergency Services Center loan be reduced?

454 YES 151 NO

State Election Results
November 8, 2016

Presidential Electors for	Clinton and Kaine (Democratic)	1,289
	Trump and Pence (Republican)	1,560
	Johnson and Weld (Libertarian)	124
	Stein and Baraka (Green)	51
United States Senator	Richard Blumenthal (Democratic)	1,496
	Dan Carter (Republican)	1,155
	Richard Blumenthal (Working Families)	201
	Richard Lion (Libertarian)	44
	Jeffery Russell (Green)	33

Representative in Congress	Joe Courtney (Democratic)	1,600
	Daria Novak (Republican)	997
	Joe Courtney (Working Families)	243
	Daniel Reale (Libertarian)	44
	Jonathan Pelto (Green)	41
State Senator	Tim Bowles (Democratic)	1,052
	Heather Somers (Republican)	1,622
	Tim Bowles (Working Families)	83
	Heather Somers (Independent)	100
State Representative	Diana S. Urban (Democratic)	1,529
	Nicholas H. Mullane II (Republican)	1,408
Registrar of Voters	Joan L. Kepler (Democratic)	1,331
	Gladys I. Chase (Republican)	1,490

November 28, 2016
Referendum Results

The November 14, 2016 Special Town Meeting reconvened at 8:07 pm on Monday, November 28, 2016 by First Selectman Shawn Murphy following the Referendum, the results were read by the Referendum Moderator Paula Kent:

1. Shall the Town of North Stonington approve the estimates and recommendations of the Board of Finance with respect to the annual Budget including General Government, Capital, and Redemption of Debt for fiscal year July 1, 2016 through June 30, 2017 in the amount of $6,017,093 and make specific appropriations and authorize expenditures in connection therewith as appear advisable?

394 YES 215 NO

2. Shall the Town of North Stonington adopt an Ordinance concerning the maintenance of private easements and rights-of-way?

341 YES 257 NO

3. Shall the Town of North Stonington adopt an Ordinance concerning private roads approved for Town Maintenance?

337 YES 281 NO

Distribution Report

North Stonington Town Clerk
July 1, 2016 to June 30, 2017

Fund Number	Entity	Amount
1	LOCIP	2,583.00
	State Treasurer – MERS	15,404.00
		17,987.00
2	State Conveyance Tax	213,770.63
		213,770.63
230100	DEP – State	7,833.00
	Dog License – Animal Control Surcharge	1,514.00
	Dog License – State	4,218.00
	Marriage License – State	1,710.00
		15,275.00
230102	State Restoration	1,722.00
		1,722.00
230230	State Farm Fund – 05-228	30,996.00
		30,996.00
404010	All Other Services	1,125.00
	Copies	11,953.75
	DEP – Town	187.00
	Dog License – Town	865.50
	Marriage License – Town	990.00
	Notary	90.00
	Recording/Town Fees	31,017.00
	Town Clerk Farm Fund	1,661.00
	Town Conveyance Tax	69,123.55
		117,012.80
404015	Town Restoration	861.00
		861.00
		397,624.43

Antoinette Pancaro, CMC, CCTC
North Stonington Town Clerk

Registrars of Voters

Registrars: Gladys Chase, Republican

Joan Kepler, Democrat

Paula Kent, Deputy Democratic Registrar

Deborah Barnes, Deputy Republican Registrar

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 October 06, 2016.
- 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 visited Wheeler High School and signed up new student voters.

Registrars oversaw the following elections during the 2016/2017 Budget period:

- Budget Referendum: September 20, 2016
- General Election: November 8, 2016
- Budget Referendum: November 28, 2016,

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.

Respectfully submitted,

Gladys I. Chase & Joan Kepler, Registrars of Voters

IT/GIS DEPARTMENT

IT/GIS Manager: James Russell **Phone:** 860-535-2877 ext. 33

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 2016-2017 fiscal year were:

• **New Town Website**. Worked with Virtual Towns and Schools to rebuild and re-design our town website. The new website is more responsive and easier to use. It will also allow us to put more information on the site that will be easier for residents to receive. This process has taken about 3 months in preparation of the new site going live on June 7, 2017. We have been customizing and adding new material every day, with help from each department and commission, to make it up to date.

• **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:

- Assessor
- Assistant Assessor
- Town Clerk

- Bookkeeper
- Selectman Secretary

• **Assessor's Office Upgrades**. I re-wired the Assessor's office to accommodate the new furniture and set up. Installed 2 new Ethernet wall jacks (1 in Assessor's office and 1 in Registrar's office). This will allow for no more wires running along the floor as now everything is run through the ceiling from the server room.

• **Created Email accounts for Boards and Commissions members**. Set up 78 town email addresses and implemented an email security software from Barracuda to fully ensure protection on all ends.

• **Server Shutdown.** Shut down oldest server and moved all files to newest server that was set up and installed in 2016.

• **Maps.** Created maps for several projects in town. Made maps for Billings Road and Murphy Road renumbering projects, the water tower location for the new emergency Services Building, updated maps for the waterline project, and created and worked with Bill Ricker for the pocket park project.

Upcoming projects for 2017-2018:

• **New Daily backup solution**. Looking into changing into a new backup solution to include a more robust system. This will allow us to be up and running a lot faster should a technology disaster occur. Will allow for servers to be restored from the backup

• **New Antivirus Solution**. Looking into upgrading our current antivirus solution to a more robust and stronger set up to defend and protect our town hall computer system. Also looking into having it hosted in the cloud to minimize our hardware components and something failing in event of an emergency in server room.

• **Town Hall Conference Room Upgrades**. Upgrade the technology in the town hall conference room to include new screen, computer, and whiteboard.

• **Windows 10.** Looking into upgrading our computers to Windows 10. Will do extensive testing to make sure all of our programs and software work properly with Windows 10.

• **New PC's.** Purchase and install new PC's for Tax Collector, Planning Development and Zoning Official, and Recreation Director.

• **Upgrade wireless system in Town Hall.** A new system will also be able to pull in the wireless set up at the new Center for Emergency Services building as well. This will put everything at town hall and CES in the same management portal. This will make it easier to manage and will reduce costs to the town.

• **Center for Emergency Services Building.** Work with vendors to get pricing for all technology equipment for the new building. This will prepare for going out to bid when the project is ready and at that stage.

I look forward to growing our town's IT infrastructure further, and working with you all in the future.

Thank you,

James Russell, IT/GIS Manager

North Stonington Public Schools

Board of Education Members

Robert Carlson – Chair

Christine Wagner– Vice Chair

Walt Mathwich – Secretary

Julia Buzzee

Alex Karpinski

David McCord

Philip Mendolia

Darren Robert

Administration

Central Office

Peter L. Nero – Superintendent

Roberta McCarthy – Administrative Assistant

Kimberly Allen – Business Manager

Elizabeth Mackela – Payroll/Accounts Payable

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:

It was a year of extraordinary achievements, accomplishments and commendations! In 2016-2017, Governor Malloy, for the first time, recognized schools for their high achievement above all other public schools. The Governor calls those schools, *Schools of Distinction,* the top 10% in the state. Of the over 1,000 public schools in Connecticut, 116 schools received that honor. North Stonington Elementary School and Wheeler High School were recognized as Schools of Distinction! It is quite an accomplishment for our town tucked away into the southeastern corner of Connecticut. It is also important to note that the district's per pupil expenditure is $15,871 which ranks the 7th least expensive per pupil expenditure of the 33 school districts in our District Reference Groups (DRG).

The Annual Report

As was the case last year, the Board of Education's Annual Report reads remarkably different from previous years. The report delineates the dramatic changes in education due to all the newly instituted laws and regulations at the state and federal level. The Board of Education (BOE) Annual Report also demonstrates the dedication of the district staff who are committed to academic excellence. With that stated, the BOE and 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) who, in addition to donating their valuable time and energies to North Stonington Public Schools, continuously 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 2016-2017 school year was again hugely successful which culminated in June with the traditional graduation on the Wheeler Library lawn. In addition, a number of award ceremonies were held at the 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 fields.

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, which makes us most proud. They exemplify and embody our town's motto which can be found when one crosses the border into town, *"We Appreciate Our Volunteers."*

Major Mandated Educational Initiatives:

The No Child Left Behind Act played a significant role in education nationally for several years. NCLB, as it was known, carried with it many mandates that impacted North Stonington Public Schools as well as the rest of the state and nation.

NCLB was replaced three 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.

In June of 2012, the Connecticut Legislature passed into law sweeping educational reform initiatives, including 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 the 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.

Four 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 which 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 has also been 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.

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 six 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 (2013-2014). 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:
Changing from the traditional paper and pencil standardized assessment to a computerized, online assessment required some retooling. The district has invested a great deal of resources in computer hardware and software and human capital. Funding was paid through the district's general fund and taking advantage of and applying for state and federal grants.

Over the last five years, North Stonington Public Schools has received approximately $240,000.00 in state and federal grant funds to purchase a variety of technology. Nearly 42% or, $100,800.00 was reimbursed to the town. With the addition of supplemental grant funds, we were able to purchase 155 laptop computers and peripheral devices which were necessary for the standardized testing. Those computers are also used to deliver instruction to students in classrooms throughout the school year.

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

One of our most important investments made by the district in technology was to upgrade security throughout the district (2014-2015). As a result of funding that we secured through a federal grant, facilitated by the State of Connecticut, the district was able to purchase $103,000 in improvements to our security system. Our security measures are state-of-the-art. The system has all the same features and qualities that are installed in new or recently renovated schools. All of our exterior doors are magnetically locked 24 hours per day. At the elementary school, 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 then the door will relock. Visitors to school, once identified via a video system, are buzzed into the building.

At Wheeler, in addition to security badges and key fobs for our staff, all of our students have personalized ID badges and key fobs. Student key fobs are necessary as students travel back and forth between the main building and gymatorium. Student key fobs are programmed to operate specific times during the school day.

A new video/camera surveillance software system was installed two years ago. The district also added additional surveillance cameras at the main entrances of our buildings as well as throughout all our buildings and on our properties. In the last seven years the district has grown from 6 security cameras to 70 security cameras.

Finally, all buildings have the Raptor Visitor Management System® installed. 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 ID's and matches the person to a *national sex offender's 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 new Volunteer Policy passed by the BOE have helped to make our schools significantly safer. Again, a major portion of the expense of the added security was made possible due to grant funding

School Modernization Project:

After several years, in 2016, residents and voters of the Town of North Stonington, by way of a referendum, approved a resolution to modernize all North Stonington Public School buildings. The vote to approve spending $38.55 million for the project occurred in May, 2016. After reimbursement by the state, the total cost to the town for the entire project will be $21.68 million. On June 25, 2016, the administration filed all necessary applications in Hartford with the Department of Administrative Services (DAS). On January 16, 2018, the Board of Selectman approved the Maximum Guaranteed Pricing (MGP) and the groundbreaking will commence in February of 2018.

Facilities and 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. While the report by the visiting team was excellent, Wheeler's accreditation status continues to remain on "warning." The two NEASC standards that are at issue are facilities and curriculum. The most important standard that the BOE has been addressing for the last ten years is the facilities standard. The facilities standard impacts on curriculum as the facilities do not meet the NEASC standard to deliver instruction which similarly affects curriculum.

While it is wonderful that we have a building project, generally, NEASC will not remove a warning status until the project is complete and a Certificate of Occupancy has been issued by the town. In the meantime, the Wheeler administration has been reporting to NEASC on its progress on all the recommendations in the decennial report and as of this time, NEAC is satisfied that other than the facilities matter, all the recommendations have been addressed.

Mandated Standardized State Testing

North Stonington Elementary School:

Since 2015, the CSDE mandated the administration of the Smarter Balanced Assessment Consortium (SBAC) test for both English Language Arts and Math. The science CMT assessment, which was administered for the last time, was taken by our 5th graders.

The Smarter Balanced assessments measures student progress based on the 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. The third testing was given in the spring of 2017. It provided 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.

Below are the achievement scores for grades three through five for the past three years the test was administered:

SBAC Percentage of Students in Grades 3 – 5 At/Above Goal

Grade	ELA-2015	ELA-2016	ELA 2017	MATH 2015	MATH 2016	MATH 2017
	% goal or above	% goal or above	% goal or above	% goal or above	% goal or above	% goal or above
3	88%	88.5%	81%	92%	98.4%	98%
4	85%	83.0%	74%	92%	91.5%	84%
5	73%	94.6%	89%	53%	87.5%	83%

Ranking of North Stonington Elementary School Compared to the 187 Districts/Schools reported:

English Language Arts			
Town	Grade 3	Grade 4	Grade 5
North Stonington	**Ranked 7th in state**	**Ranked 29th in state**	**Ranked 3rd in state**

Math			
Town	Grade 3	Grade 4	Grade 5
North Stonington	**Ranked 1st in state**	**Ranked 6th in state**	**Ranked 2nd in state**

CT Mastery Test (CMT) - Science

The State of Connecticut administered the CMT Science assessment in March of 2017 for the last time. It assessed students' understanding of important scientific concepts in the areas of life, physical, and earth science as well as their ability to apply these concepts to realistic problems. In addition, there was a major focus on experimentation skills and using scientific reasoning to solve problems.

The following areas of scientific knowledge are assessed:

- Life Science-ecosystems, cells; genetics and evolution; and human biology.
- Physical Science-structure of matter; reactions and interactions; forces and motion; energy sources and transformation.
- Earth/Space Science-astronomy; earth's natural resources; meteorology; earth history and dynamics.

The Science CMTs are scored in five levels. The 46 North Stonington Elementary 5th grade students' scores are given below:

Advanced:	46%
Goal:	37%
Proficient:	13%
*Basic:	2%
*Below Basic:	2%

*2% = 1 student at NSES

We are proud that at North Stonington Elementary School 83% of the 5th grade students achieved at the goal or advanced level!

Wheeler Middle/High School:

As noted in prior annual reports, the State of Connecticut has done away with the annual CMT (Connecticut Mastery Test) and CAPT (Connecticut Aptitude Performance Test). These annual assessments have been replaced with SBAC (Smarter Balanced Assessment Consortium) and the standard SAT for high school students in the 11th grade. See data below.

The CMT Science assessment has also been replaced by an assessment used to measure the newly installed NGSS (Next Generation Science Standards). Wheeler students in both 8th and 11th grade participated in the pilot assessment. No data was received for participation in the pilot.

The SBAC test is used to measure student progress based on the Connecticut Core standards for Grades 3-8 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.

Listed are the achievement scores for grade six through eight for the past two years the test was administered:

SBAC Percentage of Students At/Above Goal

Grade	ELA- 2016	ELA-2017	MATH-2016	MATH-2017
	% goal or above	% goal or above	% goal or above	% goal or above
6	59%	75.4%	44.3%	75.4%
7	65.6%	76.2%	43.3%	49.2%
8	73.1%	70.2%	53.9%	42.1%

Percentage of Students Meeting or Exceeding Goal
SAT – Spring- 2017

Test	Grade	Wheeler
ELA	11	72.1
Math	11	51.2

Students at Wheeler outscored a large number of their neighboring school districts in both ELA and Math. The SAT, besides grades and class rank, is one of the most important factors used by college and university admissions when evaluating transcripts.

We continue to offer Advanced Placement (AP) testing for those students enrolled in our AP classes. We offer classes in AP Calculus, Statistics, English, Biology, and World History as well as other student-selected AP classes through the Virtual High School, BYU online and Keystone Academy. Wheeler also offers a wide variety of ECE (Early College Experience) courses for students including English, US History, and Calculus.

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.

Students in grades 6-10 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 received reading and math interventions in January as well to ensure they are making appropriate progress.

At the high school, mid-year and final exams are administered to students in grades 8-12 in January and in June. ALL courses were required to give examinations.

All 6th, 7th and 8th graders also take a math readiness exam to place them in an appropriate math placement 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 CORE (Consortium on Reading Excellence).

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 PSAT's and SAT's. Our school wide data team has 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 is also proud to boast that we remain at the top of the list in the State's new Accountability Index. This index takes a holistic approach at evaluating our students and school. Within the 13 areas of the index, Wheeler continues to outscore all of the other schools in the ECC this past year. 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, we continue to align our school goals to this new index and work hard to strengthen our students' 21st century skills.

Summer School Program:

Our summer school program for students continued in 2017. Summer school was offered at the elementary level for students from Pre-K to those students leaving grade 5 and attending middle school in the fall. Class sizes remain relatively small, thus allowing summer school teachers to devote extra attention and time to students in attendance. This was the 17th 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.

Special Education

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

The current District Profile and Performance Report (2015-16) indicates a prevalence rate of 9.2% which is below the State rate of 13.4%. 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.

This report also includes the Connecticut's State Identified Measurable Goal for Children with Disabilities (SIMR) which is to increase the reading performance of all 3rd grade students with disabilities statewide, as measured by ***Connecticut's*** English Language Arts (ELA). The District Performance Index for these students was 78.9; the State Performance Index was 51.4.

The current Annual Performance Report (2015-16) on Connecticut's State Performance Plan (SSP) indicates that North Stonington continues to meet or exceed the State target requirements for the SSP indicators.

- **Improve Participation and Performance on Statewide Assessments**

  The district has 100% participation rate for students with disabilities on Statewide Assessments.

  Proficiency rate for ELA is 36.36% (State target: 17.5%). Proficiency rate for Math is 36.36 (State target: 12%).
- ***Decrease the 10+ days Out-of-School (OSS) suspension rate and Eliminate the significant discrepancy in 10+ days OSS suspension rates.**

  The district has met the State target for each of these areas.
- ***Increase placement and time with nondisabled peers (TWNDP)**

  86.44% 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%.
- ***Increase time in early childhood educational environments**

93.33% of special education students are in regular early childhood placements 80%-100% of the time which is above the State target of 77.25%.

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 have been made for both English Language Arts (ELA) and Math.

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, 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:
- Fundations for phonics and spelling instruction
- Wilson Reading Program
- Read Live Fluency Program
- 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 and Kindergarten Orientation programs were held the week before school began to welcome our new students.
- All parents/guardians were invited to the Open House on September 8th where their students served as tour guides of their classrooms and the school.

- On September 16th 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 190 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.
- The second 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.
- To support development of math skills, parents were invited to observe the expectations of math in their child's classroom on October 11th, 12th and 13th.
- The Annual Veterans Day Celebration was held on Nov. 10th to recognize our local veterans and help our students understand the dedication all veterans showed during their service to our country. Each child was able to invite a veteran to school for a special breakfast and patriotic assembly.
- 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 Beauty and the Beast Jr. directed by Kelly Gonzalez. The NSPTO and program advertisements supported the presentation on March 24th and 25th.
- 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 May 11th. Art work created by all students was displayed in the museum created in our MPR.
- All grade levels, K – 5, presented spring 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, Family Math Days, Technology Week and Field Day.
- The entire NSES community celebrated Flag Day with many special guests on June 12th.
- 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 and the Fifth Grade Promotion ceremony were held on June 14th.
- 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, Jump Rope for Heart, and a Read-a-Thon for our sponsored child, Patricia, a student at Chikumbuso School in Zambia 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. Nine students were chosen to go to the state semi - finals, seven students were selected to go onto the

state finals at UCONN, and four students were selected to present their inventions at the National Invention Convention in Washington D.C., with Sophie Broderick winning her category.

- Each year the CHET program for college savings ask students to either draw or write an essay about what they will do after college. NSES was recognized as the school with greatest participation in New London County and was awarded $500.
- Seventy 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, PTO Movie Nights, Fall student pictures, two book fairs, support for field trips, teachers' grants and much more.
- North Stonington Elementary School students and staff are extremely 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 2018 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.
- Our counselors have also worked hard to align programs to current needs. Last year, Wheeler sponsored a community conversation in conjunction with Community Speaks Out about the opioid epidemic as well as ran three programs for our 8th, 9th and 10th, and 11th and 12th graders to hear personalized stories from addicts as well as family members impacted by this crisis.
- Last year, tee shirts were purchased through grants and donations to raise awareness to a variety of topics that our school counseling office would like to raise awareness about. These topics included the opioid crisis, racial/social intolerance, no name calling, bullying and other issues that the school wants to stand up against.
- 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. This year 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.
- 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.
- Wheeler High School ranked high in the State of Connecticut's new Accountability Index with a score of 89.5%. Wheeler ranked well above other schools within the ECC as well as within their overall DRG.
- 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 a year-long Agri-Science 1 and 2 class, as well as a Psychology class. We are currently looking to add a Philosophy Class to our program of studies as well as an upper level PE class and fitness class.
- 41 students took the AP exams last year. 71 total exams were taken in all and 76% of those exams taken earned college credit.

- On last year's SAT, our average score in ELA was 558 and in Math our average score was 540. Wheeler ranked in the top half in comparison to other ECC schools in the area. Wheeler students also tested well above the National Norms for college readiness in College English Composition, College Algebra, College Social Science and College Biology. More than half of our students taking the ACT exam met the benchmark in all four areas.
- All students in grades 6-8 took the SBAC test in reading and math. Students in grades 8 and 11 participated in the NGSS (science) pilot. Our juniors continue to take the new SAT. Overall, Wheeler students continue to show gains in reading and math on their SBAC tests.
- In regards to analyzing our performance, we have created a school wide data team that consists 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 and 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 and online component of their math program.
- 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. 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.
- We now have a math interventionist at Wheeler who works with our Tier 3 middle school students as well as teaches two high school courses to allow us to create smaller math classes at our high school level.
- 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. For the past two years, all Wheeler staff participated in a Professional Learning Community where they are worked with their colleagues and observed each other's instruction and practice on a regular basis.
- 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 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 Memorial 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 Memorial Day program.

- We had another successful summer reading program last year. We read the book, "No Better Friend", by Robert Weintraub. This is the true story of a British soldier during World War II who befriended a dog and eventually was able to have the dog classified as a POW. The story tells of the unbelievable hardships the two faced together. We celebrated our summer readers, by hosting a breakfast for them in September. This year we again, held our photo contest to pick winners in the following categories: Best Pet Picture, Best No. Stonington Picture, and Picture Taken Farthest from Wheeler. We had fun seeing pictures from all over the world, including; New Zealand, Germany, Hawaii, China and Zimbabwe.
- In January, our school media specialist and school literacy specialist hosted our annual "Middle Ground Book Club" for students and adults. We read "Hidden Figures" by Margot Lee Shetterly. This non-fiction book tells the amazing story of the female, African American mathematicians at NASA, who helped launch the first shuttle. We had a great group of students and parents who read the book and went to see the movie. As always, there were rich conversations about the differences between the book and the movie and which one students and adults preferred. Once again, this unique book club was great fun and 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.
- 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 expanded and added an orchestra pit for their four performances of Cinderella. Over 60 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 second 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 and sponsored a trip for our high school musicians to see Phantom of the Opera on Broadway. They also sponsored a Talent Show that showcased diverse talents from our students in grades 6-12.
- The High School Chorus performed the National Anthem on ice at a Providence Bruins hockey game.
- The Wheeler Music Program earned gold medals across the board for its performances at the Great East Festival in May of 2017. 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.
- Twenty of our students had artwork in an exhibit at the Westerly Artist Cooperative Gallery in a month long show in May. This year they held an opening reception for their show.
- In combination with our Declamation Club's Spring Competition, the Early College Experience Drawing 1 students held their annual final exhibit at the Wheeler Library one evening in May.
- Wheeler High School hosted an annual Arts Symposium to celebrate and display the varied and accomplished work of our student artists. The work of 2D and 3D Art, Video Production, Graphic Design, Chorus, Band, and the Declamation Club were highlighted on this day. Now in its third year, the Arts Symposium has become an important showcase of all Wheeler has to offer and the talent of our students.
- In the area of athletics, 58% of our high school students played a sport last year, many playing three sports on 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 is officially a Class Act School. 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, school newspaper, BRAVE, Math Team, Science Bowl and a variety of other offerings.
- In the Agriscience 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 / 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 Agriscience II class plans on refining the system and harvesting different crops through June!

- 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 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.
- During the 2016-17 school year Wheeler High School's Student Government continued to focus on involvement in the Wheeler and North Stonington communities. The group organized a voter registration event at the school where over 20 students ages 17+ registered to vote for the third consecutive year. Two students worked as volunteers with the Registrar of Voters on election day in November 2017. Additionally, students organized a school-wide spirit week that included days to support Relay for Life (a purple-out) and honor Memorial Day (red, white and blue day). The week culminated in a Memorial Day ceremony, which students also helped to organize. As a result of their efforts during spirit week, and other activities (bake sale, "pie-in-the-face" competition, and general donations), the Wheeler High School Relay teams donated over $1000 to the American Cancer Society.
- 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. They also raised money to purchase many bicycles for World Bicycle Relief. Chikumbuso, which raises educational and medical funds for orphans in Africa, continued. 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 2016-2017 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

School Modernization Project

As of the last reporting, the School Modernization Building Committee (SMBC) created a budget to appropriate the $1,590,000.00 approved by the residents and voters of the Town of North Stonington to begin the modernization of all North Stonington Public School buildings. As defined by the referendum, the SMBC was able to meet all necessary requirements to progress through each phase while staying within the designated $1,590,000.00 appropriation.

Official State approval of the project was received in October of 2017 and final bids from subcontractors were accepted in January of 2018. After a presentation of the Guaranteed Maximum Price (GMP) for the project was submitted to the Town Selectman, a unanimous vote from the Board of Selectmen was secured to proceed for funding of the project from the USDA. A spring groundbreaking ceremony is planned with an anticipated completion date of summer, 2019.

Prior Submission:

After several years, the residents and voters of the Town of North Stonington, by way of a referendum, approved a resolution to modernize all North Stonington Public School buildings. The vote to approve spending $38.55 million for the project occurred in May, 2016. After reimbursement by the state, the total cost to the town for the entire project will be $ $21.68 million. On June 25th, the administration filed all necessary applications in Hartford with the Department of Administrative Services.

As of the printing of this report, the State Department of Administrative Services has approved the applications of the building projects and will now forward them to the legislature. The Building Committee, under the direction of the Board of Selectmen, has selected an architect and construction manager and has begun site work. Groundbreaking for the project is scheduled to begin on July 1, 2017

LAND USE COMMISSIONS/DEPARTMENTS

Planning, Development and Zoning Official: Juliet Hodge — **Contact:** 860-535-2877 Ext. 27
Land Use Assistant: Cheryl Konsavitch — **Contact:** 860-535-2877 Ext. 26
Building Official (current): Bob Roraback — **Contact:** 860-535-2877 Ext. 18

Planning and Zoning Commission

Member	Title	Staff	Title
Lou Steinbrecher	Chairman	Cheryl Konsavitch	Land Use Assistant
Elaine Boissevain	Vice Chairman	Tom Zanarini	Senior Planning and Zoning Official
Joseph Siner	Secretary	Juliet Hodge	Planning Development and Zoning Official
Ann Brown	Regular Member	17 Regular Meetings were held throughout the year which included 6 Public Hearings.	
Wayne Wilkinson	Regular Member		
Pat Lewis	Alternate		
Ed McGowan	Alternate		

PLANNING AND ZONING	Approved 2016-2017	Actual 2016-2017	% used
Salary – SPZEO	57,996.00	55,836.56	96.3%
Wages – Administrative Assistant	40,480.00	40,592.05	10.0%
Office Expenses	7,530.00	7,175.20	95.3%
Travel Expenses	1,000.00	562.65	56.3%
Attorney	15,000.00	4,760.00	31.7%
Contracted Consulting	2,000.00	2,000.00	10.0%
PZ Contracted Planner	7,000.00	7,460.00	10.7%

The Planning and Zoning Commission had an **Operating Budget** of $131,006.

In addition to the permits listed to the right, the Land Use Department received 11 Wetlands Applications and 3 Applications for Variances.

LAND USE APPLICATIONS SUBMITTED	TOTAL
PZC COMMISSION REVIEW	
Site Plans	**4**
Subdivisions	**1**
Special Permits	**0**
Excavation Special Permits	**1**
Regulation/Map Amendments	**2**
8-24 Review	**1**
ADMINISTRATIVE ZONING PERMITS	
Single Family/Duplex Residences	**10**
Lot Line Adjustment	**5**
Free Split	**2**
Home Occupation	**2**
Change Of Use/User	**5**
Land Disturbance	**0**
Accessory Use/Structure	**50**
Sign	**2**
Agriculture	**1**
General Zoning Permit	**3**
TOTAL LAND USE APPLICATIONS SUBMITTED FY 2016-2017	**100**

2016-2017 was a busy year for housing starts. 10 new homes were approved for construction. Major municipal projects included the approval of the 30,000sf school expansion and renovation. The Emergency Services Building project broke ground and is expected to be completed by June 2018. Several new businesses were approved (see Development Activity section below).

The Following changes were made to the Zoning Regulations during FY 2016-2017

Date	Sections Modified	Application #	Detail
1/20/17	602; 1006.2(D) and 1006.2(D)4 1006.3; 1006.4	**16-076**	Section 602 (Commercial & Industrial Use Chart) to add Agriculture, Farm Winery, Farm Winery Restaurant, and Funeral Home by SPL in the ED Zoning District; Section 1006.2(D) (Partial Exemptions for Excavation); Section 1006.3 (Excavation Application). Changing the type of permit needed from a Site Plan to a Special Permit (Sections 1006.3 and 1006.4) and adding 5 acre maximum to the Land Disturbance Permit Section 1006.2(D)(4))
W/drawn	706, 1001.3(D)	**16-076**	Add Incentive Housing Zone; Modify Farm Brewery Regulations;
6/8/17	1001.4	**17-025**	Animals & Fowl: added additional size Classification for animals for density purposes. Medium-size category of animals added.

Other changes to the regulations being considered are returning the provision for Sandwich Board signs; increasing the allotted size for an accessory apartment and setting a minimum size between 450 and 500 square feet.

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

Rezoning the Western End of Rte. 2: Discussions resumed about changing the zone along the western end of Rte. 2 from Residential to Commercial. A workshop was held with the residents who live in the affected area. The Commission discussed this matter throughout the year and Planner J. Hodge began work to draft the new regulations for the proposed Resort Commercial Zone to be formally considered by the Commission in the Fall of 2017.

Farm Brewery Regulations: Work was initiated to tweak the Farm Brewery Regulations to allow for a farm brewery restaurant. This change was never formally adopted by the commission.

Incentive Housing Zone: The Commission held several discussions with the members of the Affordable Housing Committee re: the possibility of creating an Incentive Housing Overlay Zone on the Town-owned Wintechog Hill parcel. Commission ultimately decided not to pursue the IHZ designation as there is no longer any monetary "incentive" offered by the state. The Commission opted instead to continue working with Milone and MacBroom on creating a conceptual plan based on desired density and housing types decided on by the Commission. The development would also be based on the feasibility of providing adequate water and septic systems as determined by the Milone and MacBroom report completed in 2014. The possible development would only occupy a small portion of the property and the remaining land would remain public open space. Commission received a formal quote from Milone & MacBroom for a conceptual plan for Wintechog Hill for $8,500 and received the drawings in July 2017.

One of many concepts for the Wintechog Hill Project

POCD Implementation:

J. Hodge resumed oversight of the POCD Implementation upon her return in March. She chairs a smaller Committee made up of the Chairmen of the major Boards and Commissions who meet quarterly to discuss strategies to implement the POCD.

Term Limits:

The Commission is considering the possibility of shorter term limits for elected P&Z members, proposing 4-year term limits for regular members and 2 years for alternates instead of the 6 years which some feel is too long and therefore a deterrent for residents to volunteer to serve. The Commission will continue to discuss this throughout the year.

Economic Development Commission

Member	Title	Staff	Title
Brett Mastroianni	Chairman	Juliet Hodge	Economic Development Coordinator
David Isom	Vice Chairman	(From 3/2017	
George Tattersall	Secretary	to present)	
Dugan Tillman-Brown	Treasurer		
Bernard B Bartick	Regular Member		
Andrea Sadowski	Regular Member		
Barbara Campagna	Regular Member		

There were a total of 3 regular meetings held and many workshops. EDC Had an operating budget of $44,183 though $17,826 was transferred out when the part-time Economic Development Coordinator position was merged with the Town Planner position to form one Planning, Development and Zoning Official.

EDC FY 2016-2017	Approved	Actual	Used
TOTAL BB 15.00 Operating Expenses	$ 7,500.00	$ 2,110.20	28%
TOTAL BB 15.01 Memberships	$ 1,957.95	$ 1,853.95	95%
TOTAL BB 15.02 Consulting	$ 34,725.00	$ 16,899.00	0%
TOTAL BUDGET	$ 44,182.95	$ 20,863.15	47%

2016-2017 was a transitional year for the Commission. Sam Eisenbeiser left the part-time Economic Development Coordinator position in April 2016 and the role was not filled until March 2017 when J. Hodge was hired to fill the new Planning, Development and Zoning Official position. The work on the website and brochure were put on hold and will be added to the priority list for FY 2017-2017.

In December 2016, the First Selectman and EDC Commission worked with the regional economic development organization – seCTer and other towns in the region to secure a new location for Faria Beede – a manufacturer of marine instruments – within the region. The company settled on space in the former Fisher Control building on Frontage Rd. now owned by Quinlan Enterprise.

The Commission assisted the Town and the consultant Marc Lancor of Dymar with the Sewer Study to determine what the town's wastewater management options are. The study (ongoing) will focus on the commercial and industrial development districts generally located along the I-95 Corridor, spanning from Exit 92 to 93 and north along Rte. 2 to the rotary and intersection with Rte. 184. Discussions resumed with the Town of Stonington about

the feasibility of tying into their existing system. These discussions will continue until an agreement is reached or until the Town decides to pursue other options identified in the Study.

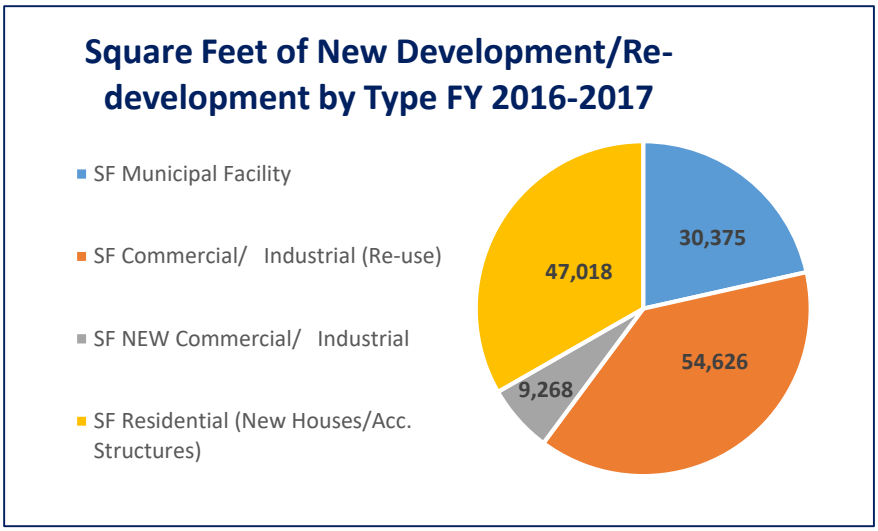
J. Hodge was hired in March 2017 and has brought the focus back to the POCD and implementation of the 2012 Economic Development Action Plan.

The Commission identified the following priorities to pursue in the coming year.

- **Marketing Campaign**: Hire consultant to create marketing material including videos to be used at trade shows, the website and social media.
- **Pursue the goal of creating a town-run, year-round farmers market.**
- **Resume work on the website and develop more of a presence on Social Media**. This work could include creating videos and getting written or filmed testimonials from various businesses in town to be used on the website and on social media to promote North Stonington as a great place to do business etc. The Commission discussed using consultants to help develop professional marketing material to be used on multiple platforms. J. Hodge will continue to develop the EDC Handbook and flow chart and packet of material for businesses that include funding resources to be used during business visitation.

Development Activity

There were a total of 8 new businesses and 2 home occupations approved occupying over 50,000sf of existing vacant and underutilized space and approximately 9,000sf of newly constructed buildings. This development included the 3,500sf Ghee manufacturing facility (Farm to Gold) on Norwich Westerly Rd, and the 5,000sf Quality Propane store and showroom on Providence New London Turnpike – both new construction. Future plans for Farm to Gold (Earth Acre) facility include a small café and retail component.



Special thanks to Quinlan Enterprises for the work they have done to bring the former Fisher's Control Building on Frontage Road back to life with a great mix of businesses that include HTP – Medical Tubing applications; Faria Beede Instruments; RCM Tech – Engineering Services; The Cooper Group (Craftsmen and Designers) and Barton & Gray Mariners Club. A new 27,000sf warehouse was approved in the fall (2017).

Jovial Foods warehouse complete and plans are coming together for the future restoration and redevelopment of the formal Randall's Ordinary site. Carla Bartelucci was honored at a Small Business Administration Event (photo on left).

Stateline Liquors located on Clarks Falls Road across from Tinaco Travel Plaza celebrated one year and The **North Stonington Liquor Store** next to Goodies Family Restaurant has opened under new management. Dr Jody E Noé MS, ND opened a new Naturopathic Clinic and Integrative Healing Center in Circle Park II. B&M Landscaping moved into a commercial building on Clarks Falls Rd. and has added a new Lawn & Garden Center to the business. The Hardware Store and Café was approved for a nano-brewery as an accessory use, and finally, in March 2017, the Urgo Agency LLC opened as Farmers Insurance next door to the Green Onion.

Building Department

Staff	Title
Lou DiCesare	Building Official/Sanitarian (well and septic)
Ted Faulise	Sanitarian (food services)

BUILDING DEPARTMENT	Actual 2016-17	Spent	%
Salary –Building Official	31,023.00	31,023.00	100.0%
Operating Expenses	500.00	918.69	183.7%
Travel Expenses	500.00	0.00	0.0%
Building Department Total	**32,023.00**	**31,941.69**	**99.7%**

The building department had an operating budget of $32,023 in FY 2016-2017.

ITEM	ISSUED	CONSTRUCTION COST	FEES PAID
Building Permits	122	$3,043,525.88	$29,372.00
Electrical Permits	85	$1,271,725.00	$7,636.00
Heating Permits	25	$203,313.00	$1,605.00
Plumbing Permits	20	$128,302.00	$1,141.00
Mechanical Permits	22	$78,478.00	$791.00
Septic	14		$650.00
Well	20		$305.00
Gas	8	$4,100.00	$196.00
Demolition	2		$100.00

Permits and Construction Value

- **Total Number of permits issued: 318**
- **Total fees collected: $41,796.00**
- **Total Estimated Construction Value: $4,729,443.88**

Zoning Enforcement

Staff	Title
Tom Zanarini (through 12/2016)	Senior Planning and Zoning Official
Juliet Hodge (From 3/2017 – Present)	Planning, Development & Zoning Official

Cases opened in FY 2016 - 2017	**20**	**13 Resolved**	**7 Remain Open**
Previous Years currently Open	**21**	**7 Still Active** **3 with Stipulated Agreements** **1 with ongoing enforcement resolution**	**10 Not likely to be resolved**

Zoning Board of Appeals

Member	Title	Staff	
Charlie Burger	Chairman	Cheryl Konsavitch	Land Use Assistant
James Lord	Vice Chairman	Tom Zanarini	Senior Planning and Zoning Official
Robin Hall	Secretary	Juliet Hodge	Planning, Development & Zoning Official
Heather Chrissos	Regular Member		
Candy Palmer	Regular Member		
Amy Kimball	Alternate		
Gary Thompson	Alternate		
Anne Nelson (until 3/17)	Alternate		

The ZBA had an Operating Budget of $1,000 of which they spent $919.29 or 91.9% (on meeting notices).

3 applications were received during FY 2016-2017 and 3 meetings were held. 2 Variances were granted for a reduction of required setback and to increase the cubical content of a non-conforming structure. The third application was for an appeal of the ZEO decision to deny a free-split. This order was upheld.

Affordable Housing Committee

Member	Title
Mary Ann Ricker	Chairman
Betty Ann Russ	Vice-Chairman
Paul Bliven (resigned during the FY)	Member
Robert Mayne (resigned during the FY)	Member

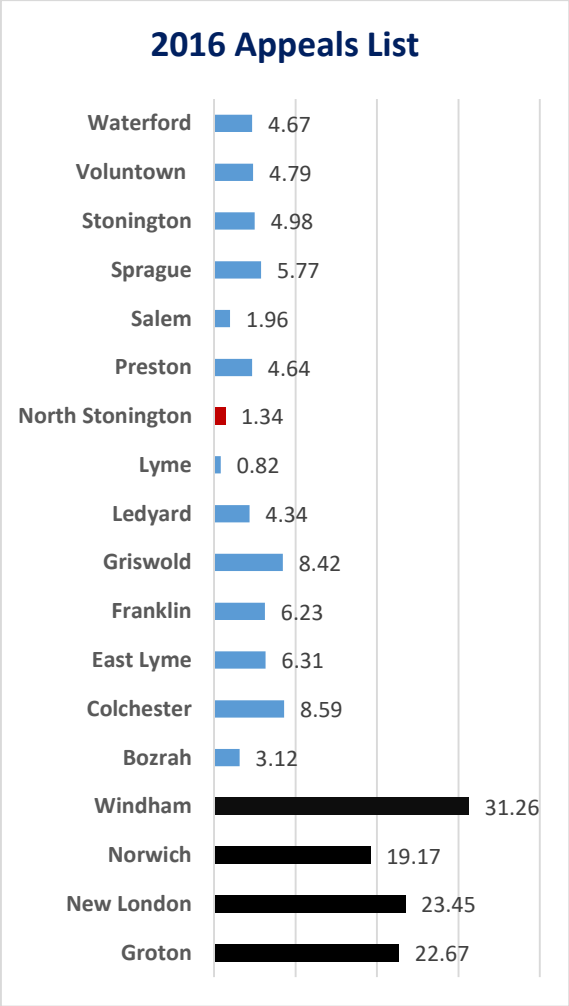
The Affordable Housing Committee had an Operating Budget of $1000 for FY 2016-2017 of which they spent $289.98. The Committee held 6 regular meetings and 2 special meetings.

The North Stonington Affordable Housing Committee's focus this year was on raising public awareness for the need for affordable housing. The purchase of educational and display items for our mobile LED display (a banner, document holders, etc.) enabled us to more effectively present that need. These items were used throughout the year in several locations: Chelsea Groton Bank, the NoSto Fest, and the first Congregational Church. The current emphasis in the display has been programs for first time home buyers.

The NSAHC sponsored a bus tour to affordable housing developments sites in Pawcatuck, Old Saybrook, and North Stonington. Lunch was provided to participants at a wrap up session following the tour.

The Committee has continued to monitor the tax foreclosed property on 101A Anthony Road which the Town sold in 2015 for $l.00 to Neighbor Works/New Horizons to rehabilitate for deed restricted affordable housing. Anticipated sale of that property will be Spring, 2018. The Committee has been tracking its progress with video and hopes to use the finished completion of the rehabilitation in our educational material.

Our major hurdles this year have been the lack of leadership or cooperation within the governmental agencies of the Town on affordable housing issues, hence the importance of the educational efforts. Failure to move forward on many of the approved goals in the Housing Plan adopted caused discouragement of the committee members and resulted in the loss of membership. Lack of support from our previous staff (Town Planner Tom Zanarini) and now *no staff* officially assigned to the Committee (we were never informed of this) in our current Town Planner's office, has also contributed to the lack of progress in our objectives and loss of membership.



The Affordable Housing Committee hosted a forum in November 2016 on forming a potential nonprofit housing trust. Lesley Higgins-Biddle, senior program officer at the Local Initiatives Support Corp. in Hartford, which aids communities with nonprofit housing was the guest speaker. LISC has been providing technical assistance to the Affordable Housing Committee for a number of years. A Housing Trust could receive affordable housing grants and property as well as develop and issue requests for proposals from developers, and could work alongside the town and the Affordable Housing Committee, which would incentivize affordable housing.

The Community Development Block Grant awarded in 2014 closed in 2016, expending the $400,000 awarded the Town of North Stonington. This money was Federal Housing and Urban Development funds funneled through the CT Department of Housing. The final reporting of the expenditures is impressive in the number of households helped to maintain and upgrade their homes. A total of 16 owner occupied homes were upgraded; 8 were female headed households and 7 of the 16 were elderly. Sixteen homes were brought to the energy star rating and 5 had lead abated in their homes. Income levels of those helped ranged from two at 30% annual area median income ($25,000), five at 30%-50% AMI

($25,000-$41,000) and nine at 50%-80% AMI ($42,000-$63,000). Area contractors were awarded $319,000; pumping economic vitality into our area.

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. We currently have 5 deed restricted units in the Watson Estates Subdivision off Lake of Isles Road.

North Stonington still falls very short of the 10% mandate.

Submitted by Mary Ann Ricker, Chairman

Conservation Commission

Member	Title
Bill Ricker	Chairman
Mike Charnetski	Vice-Chairman
Dr. Steve Colgan	Secretary
Doug Farrand	Member
Dr. Arnie Vlieks	Member
Tony Rose	Member
Added near the end of the year; Robert Degoursey and Dr. Jason Mancini.	

The Commission held 10 regular meetings, and members held numerous work sessions (over 30+) in the field on a number of trails and projects.

Calendar Year: 2017

This is the 6th year of our producing the "North Stonington Community Calendar" At a cost of $1,277 plus 200 expenses from our $2100 budget, we returned over $1650 back to the General Fund through sales. Several calendars are given *pro bono* to the Land Use Office as "giveaways" to prospective business owners. NOTE: You are the math gurus. Tell me how I turned in $1651 by selling 140 calendars at $10 each??

We have completed our Notable Tree Campaign whereby we worked over two years to identify many of the largest trees of each species in town. They are presently being evaluated, collated and to be sent to Conn College Arboretum for inclusion in the State Register of Notable Trees.

An idea in the POCD was to redesign the Rte. 49/184 intersection. Following 8 months of negotiations with CT-DOT we received approval to change one corner of the roadside eye sore into a "Pocket Park." Without asking any additional town funds, the CC raised all the money through grants and donations to complete that project.

In support of NoStoFest, we were asked to participate in some manner for this town wide activity. We purchased $75 worth of fir trees, packaged them and with planting instructions gave all 100 seedlings to children visiting our booth to plant at home.

A daunting task given to us is the yearly monitoring of all 35 private conservation easement parcels and 17 town owned open space parcels. That means contacting most private land owners, walking all 52 properties, noting any deed infractions and filing reports kept in our town clerk vault; and by volunteers!

We worked with CT DEEP Division of Forestry on their 10-year forestry plan within Pachaug Forest and separately with the New England Cottontail initiative within Pachaug Forest.

We completed the trail work and signage for Stewart Hill Preserve; the last of the five town owned open space parcels where we created public hiking trails. Nearly $300 of our budget paid for signage and trail maps. We cut a connecting trail to the state maintained Narragansett "Blue" Trail and received their approval.

NOTE: Hundreds of hours of work was done by our CC volunteers in opening the Chester Main Bridle Trail for public use. Following a petition by an association of Chester Main residents, this went to a vote by the town and was given to a developing Home Owners Association.

Notable Tree in Bell Cedar Swamp

We were able to place a "covenant" (short of a lien) on 5.5 acres of property next to A&Z on Rte 2. This parcel was to be turned over to the town some 20+ years ago. As the property is again for sale (90 acres) we took action to legally record this in the land records in a belated attempt to acquire it should it be sold. The significance of the property is it will protect yet one more portion of the Assekonk River borderland and it holds the potential for a town well for a community water plant in the future.

We have persistently advised the Board of Selectmen of our offer to assist in the possible trade of town owned property bordering state owned Assekonk Swamp for state property behind the new Municipal Services Building for a water tower for town use. It presently is under study with the newly established WPCA aware of our offer of assistance.

Submitted by 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		
Candy Palmer	Member		
Robert Miner	Member		
Mac Gray	Member		
Kevin Geary	Member		
Marvin Chase Jr.	Member		

The Inland Wetlands and Watercourses Commission held 9 meetings during FY 2016-2017. They reviewed 11 applications and heard 1 appeal. Their operating budget was $700. A total of $761 was spent for the year on advertising (meeting notices).

Hewitt Farm Committee

Background

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

In May 2011 the Hewitt Farm Committee was appointed by the Board of Selectmen to manage and oversee the property. Committee members are appointed annually. Current members are Ellie Banker, Brian Banker, Jack Brown, Richard Cooper, Ed Harasimowitz and Nita Kincaid.

Our 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

More information about the Hewitt Farm is available on the town website at www.northstoningtonct.gov.

Accomplishments During Fiscal 2016/2017

Improvements to Hewitt Farm

- Footbridge and Boardwalk - Eagle Scout Jason Miner and members of Boy Scout Troop 71 constructed a footbridge and boardwalk across a tributary of the Shunock River thereby providing easier passage for hikers and protecting an old apple tree of worthy note.
- Letterboxing Discovery Trail - The North Stonington Garden Club set number posts and hid letterboxes to create a challenging, educational trail for Letterboxing enthusiasts.
- Butterfly Garden - Members of Girl Scout Troop 63813 adopted and re-planted the Butterfly Garden with expert help from a Master Gardener.
- Scenic Picnic Area - Two resident families teamed-up to clear a trail, remove brush and install a picnic table on the north shore of Lower Hewitt Pond.
- Cart Path and Horse Crossing - Garden Club funding enabled the purchase and installation of new Trail Signs to guide horseback riders and cart drivers through the farm.
- Meadows - Fall grooming of the meadows included cutting back to the borders with a Brush Hog and treatment of woody and invasive plants with herbicide.

- Parking Areas - Additional parking areas were cleared, one making The Green more accessible to the handicapped and one to accommodate overflow parking at the Community Garden.
- Canoe & Kayak Launch - Flat rocks were set and large boulders moved to make the pond and Shunock River more accessible for water craft.
- Bunny Patch - The original bunny patch is located near the Community Garden. An additional Bunny Patch consisting of natural materials was constructed in the 1750 Farm House Meadow to provide habitat for Cottontail Rabbits.

Inviting Residents and Non-Profits to Enjoy Hewitt Farm

- Field Trips - Three first grade classes visited the farm on a May morning to participate in water testing at the dam, hiking a nature trail and learning about plant life.
- NOSTO FEST – The Hewitt Farm Committee promoted the farm at NOSTO FEST, using a 3 ft x 5 ft "light map" that contained photos of prominent features on the farm and challenged viewers to identify where these features are located.
- Mushroom Walk – The Wheeler Library sponsored a mushroom walk and invited Maggie Jones from the Denison Pequotsepos Nature Center to lead the walk in search of mushroom specimens. Attendance for the walk was very good.
- Connecticut Trails Day - Hewitt Farm Committee members led a walk on the farm in early June as part of the Annual Connecticut Forest and Park Association's Trails Day event.

Growing the Community Garden

- The Community Garden Association increased the garden's size by 50% following a highly successful growing season and an increased interest from new gardeners for plot rentals.

Harvesting the Hayfields

- Farmers Lewis and Daniels reported harvesting two crops of hay and fertilizing fields 1, 2, 3 and 4 in the spring and fall, following recommendations from Natural Resources Conservation Services. Elimination of chickweed with timothy, clover and orchard grasses was undertaken.

Overseeing the Buildings

- Action on Greene Gables and the Cabin - The Hewitt Farm Committee researched, received and considered information on the historical and cultural nature of Greene Gables and the Cabin, and worked with the Board of Selectmen in determining the fate of the structures.
- Annual Inspection of the 1750 Farm House - The annual inspection of the farmhouse was conducted to ensure that the structure retains its important features and remains in good

rental condition. Items requiring attention were noted and addressed.

- Important Repairs to the 1750 Farm House – In the spring of 2017, Capital Funds were used to repair and replace a weak structural beam in one area in the basement. This beam was compromising flooring on the first floor above it. Poorly constructed outdoor steps were also removed, as they had contributed to water damage to an exterior door. Beneath these steps were beautiful large stone steps, still in place.
  A storm door was built in keeping with the period of the house to further protect this entry from weather damage.

Hewitt Farm Financial Overview

In 2012 the Hewitt Farm Committee requested that the town include a Hewitt Farm "Expense" line for $5000.00 (Public Works/Highway/Hewitt Farm). The expense line was added to allow the committee to track expenses related to property maintenance and improvement.

A Hewitt Farm Income line already existed (Other Revenue/Rent for Hewitt Property) and this provides approximately $40,000.00 in annual rental income.

PRIOR YEARS		
YEAR	**INCOME**	**EXPENSE**
2012/2013	$41,286.00	$5,254.00
2013/2014	$41,292.00	$3,327.00
2014/2015	$37,965.00	$1,739.00
2015/2016	$39,287.00	$3,280.00

2016/2017 Actual Income and Expenses from Hewitt Farm

Sources	2016/2017 Actual Income
Buon Appetito	$22,800.00 (7/1/16: monthly rent increased to $1900)
1750 Farm House	$11,400.00
SE CT Water Authority	$7,586.00 (As of 7/1/15, new five year rate based on CPU-I)
Hayfields	$501.00
TOTAL	**$42,287.00**

2016/2017 Actual expenses from the Hewitt Farm line item were $1838.00.

The town has received $309,479.00 in Rental Income from Hewitt Farm properties between October 2008 (purchase date of the property) and June 30, 2017.

It is important to note that two of the farm's leased properties have date-related escalation clauses:

- The **Southeastern CT Water Authority** 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 July 2015 the lease was renewed and income from the well was increased from $6215 to $7586, which will prevail until **2020**.
- The **Buon Appetito** lease was signed in June 2011 with an annual rent of $19,800, locked in for five years through June 30, 2016. As of July 1, 2016, the rent increased to $22,800 (a 15% increase). **Each year hereafter the rent will increase by 3% until termination on June 30, 2050.**

An Additional 2016/2017 Budget Request

The 2016/2017 budget had a "Selectman Capital" funding line of $60,000.00 entitled "Abatement and Demolition of Town Buildings". Two buildings on the Hewitt Farm, Greene Gables and The Cabin, are in poor condition and not usable by the town. The Board of Selectmen and the Hewitt Farm Committee have proposed that both be demolished. At the end of fiscal 2016/2017, plans were moving forward to determine and finalize the fate of these two structures.

The Importance of Hewitt Farm Supporters

On the very positive side, we have been fortunate that many improvements have been made at the Hewitt Farm without cost to the town. Volunteers and committee members continue to put
in much work to keep up the property. We have received wonderful donations from local non-profits, particularly Boy Scout Troop 71, Girl Scout Troop 63813 and the North Stonington Garden Club. We greatly appreciate their support.

GOALS FOR FISCAL YEAR 2017/2018

The Hewitt Farm Committee identified the following priorities for 2017/2018:

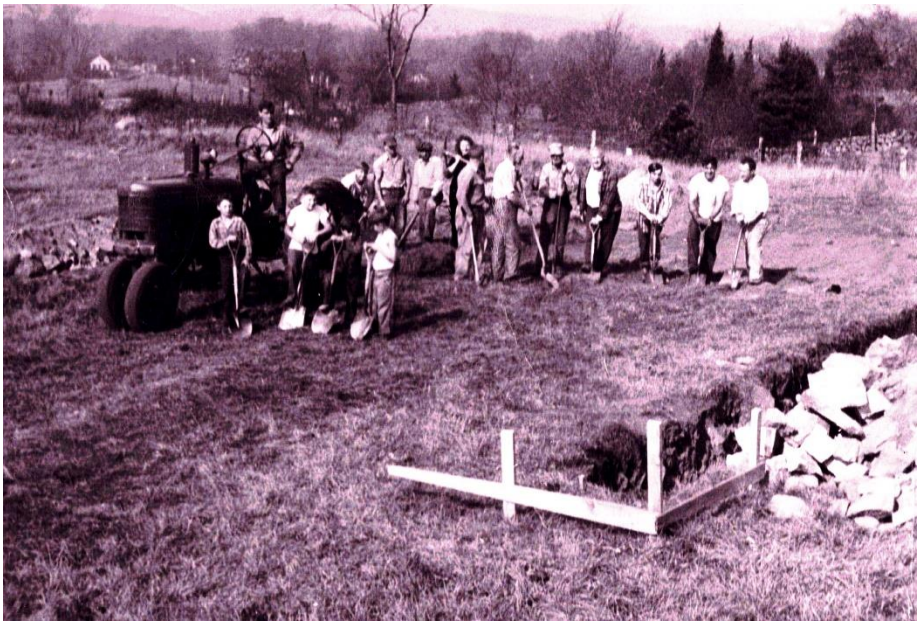
- Oversee demolition of Greene Gables and The Cabin
- Support the North Stonington Garden Club's creation of the Hewitt Farm Discovery Trail and the three remaining Eagle Scout projects that require completion this year
- Explore options for outdoor bathroom facilities and a covered pavilion
- Develop a plan for improvements to the 1750 Farm House
- Continue to encourage and support activities and events at the farm by working closely with the schools and town non-profits

North Stonington Volunteer Fire Company Inc.

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 an extremely dedicated group of men and women. Our (40) volunteers are a precious, but perishable commodity. As a bedroom community, it continues to be difficult to find volunteers who have the time to train and develop the skills needed, and even more difficult to retain them as viable members. The cost savings that these volunteers provide in services to the Town is significant.



The 2016/2017 Fiscal Year has been another, increasingly busy period of time for the North Stonington (all) Volunteer Fire Company, Inc. (NSVFC). We have added the response of supplemental First Responder (R1) for medical calls to assist our ambulance in town. By doing this it has increased our call volume by nearly 150 incidents. This reporting period is significantly higher than the last report due to these responses.

During the fiscal year of 2016/2017 we responded to a total of (349) 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
- Smoke investigations
- Residential flooding

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

During this year we ordered a new brush truck. This apparatus is designed to provide multiple functions for the town. Besides being a brush fire truck, it will respond to medical calls and it will be able to be used as a mini attack engine during extreme winter weather conditions. This truck will enhance our current fire suppression and afford flexibility in tactical decisions.

During the fiscal year, the delay in getting an approved budget has caused some hardship. Due to the delay it postponed the purchase of the vehicle which in turn cost us more. These types of delays hinder remaining on budget and affect the Town's ability to adhere to the long range capital plan. Despite these setbacks, we have been able to work through the budget issues and continue to provide our service.

As always, we continue to ask that residents consider volunteering with us to protect our Town.

Public Works Department

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 preformed this year.

- **Snow removal** for 12 storms between December 12, 2016 and March 15, 2017 - utilizing 243 tons of Road Salt and 1,015 yards of sand.
- The town sent 3,122 tons of household garbage to the Preston incinerator. The Transfer station collected 287 tons of recyclables, 2,273 gallons of used oil, 166 tires, 22.61 tons of electronics, 71 tons of metal, 280 appliances, 567 pounds of florescent light bulbs, 312 mattresses recycled, processed 191 pieces of furniture, 28,250 pounds of paint recycled, and 216 propane tanks turned in. **Gross income was $7,694.25.**
- **Household Hazardous Waste Day** was held on September 10th. 303 citizens participated in the event which included paper shredding this year.
- **Drainage work** was completed between 208 and 214 Wyassup Rd.; repaired catch basin on Main St.; and completed new roadway surface Anna Farm Rd. East. New blocks were purchased for install of wall at transfer station due to hazardous conditions.
- Completed chip sealing on Lake of Isles Rd., Anna Farm West, Legenwood, Billings Lake, Wyassup, and Wyassup Lake Roads.
- The Elementary School parking lot was redesigned for easier snow removal. Several islands were removed and replaced with new pavement.
- Two handicap bathrooms were constructed at the recreation building.
- Completed the construction of the new jet shed building located on the highway garage property.

- The highway crew maintains the grounds and assists in repairs within the recreation department including taking down and setting up volleyball court, basketball, tennis and soccer nets.
- The highway crew maintains the grounds at the North Stonington Fire Department, North Stonington Ambulance, Hewitt property and Senior Center.
- The highway crew assists the school department in maintaining equipment, generator maintenance, grounds cleanup and snow removal.
- Preparation / Assisting with the Memorial Day Parade, North Stonington Fair, 4H Fair, and 4 charitable events
- Responded to 6 emergency calls for aid to include icy roads, tree removal and roadway closure issues.
- Purchase of new John Deere mower with Sickle bar attachment.

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 Assistant Highway Foreman

NORTH STONINGTON RECREATION COMMISSION

Commission Members:

Emerson Rusich
Megan Perkins
Emily Mastroianni
Michael Delzer
Julie McGowan
(two vacancies)
Recreation Director: Thomas Fabian

The North Stonington Recreation Commission holds regular monthly meetings on the first Thursday of each month at the Recreation Office located at the Holly Green Plaza (2nd floor). The meetings begin at 6:15 p.m. and generally last for two hours. The public is welcome to attend these meetings. The meeting agendas & minutes are posted with the North Stonington Town Clerk. There are no scheduled meetings during the summer months (July & August).

The North Stonington Recreation Commission makes every effort to offer multiple programs and activities for both the adults and children of North Stonington and beyond throughout the year. These programs and activities include: Multiple summer programs / activities such as Summer Playground Camp (6 weeks); Kiddie Camp (4 weeks); Basketball Clinics; Tennis

Clinics; Volleyball Clinics; Adult & Youth Golf lessons; Art Academy classes; Summer Science classes; Archery Camp, Soccer Camps, and several other summer fun group activities.

During the fall season there were Youth Soccer Programs (approx. 150 participants) with multiple teams in different age groups; Tennis clinic; Adult Co-Ed Volleyball; Golf Instruction for youth & adults; pre-season Basketball clinics; three (3) youth Dance programs; Youth Volleyball clinic; Archery; and the annual Halloween Egg Hunt for children at the "Rec".

In the Winter/Spring there is the North Stonington Recreation Youth Basketball League (approx. 180 participants) for boys & girls of various ages; Chess Instruction; Babysitting Certification class, Youth & Adult Volleyball and Golf programs; 16th annual Easter Egg Hunt at the "Rec"; Futsal (youth indoor soccer); and a Youth Tennis Clinic.

Our year-round recreation programs include the following: multiple Yoga, Pilates, and Zumba (dance exercise) classes for adults as well as Kids Yoga classes; and hiking at the Hewitt Farm property just to name a few.

This is the second year that the North Stonington Recreation utilized a new website www.Northstoningtonrec.gov which posts all of the ongoing programs / activities and allows participants to register and / or pay on-line. The North Stonington Recreation still accepts program registrations and payments made via the recreation office. This website also allows the Recreation Commission to post announcements and send out email blasts to any or all of our members (presently 930 email accounts).

The Rec Shack bathrooms were renovated this year by the North Stonington Highway Public Works Department (as well as First Selectman Shawn Murphy) and the Recreation Commission has received a lot of positive feedback from the public.

The Recreation Commission would like to thank the Board of Selectman, the Board of Finance, the Board of Education, the Highway Public Works Department. the North Stonington Public Schools Staff and Administration, as well as the Town Hall employees for their continued support over the years. And most importantly, thank you to the citizens of North Stonington for your participation and support of our programs and activities.

Thomas Fabian
Recreation Director

MANAGEMENT AND FINANCIAL STATEMENTS

The following pages contain the auditor's findings for the year ending June 30, 2017

Sandra E. Welwood , LLC
Certified Public Accountant
46 Main Street, Danbury, CT 06810
(203) 730-0509 / Fax (203) 730-0509

sewonlake@aol.com
Website: www.sewelwoodcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of North Stonington, Connecticut

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, 2017, and have issued our report thereon dated October 20, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and governmental auditing standards as well as information related to the planned scope and timing of our audit. We have communicated such information in our letter dated
April 25, 2017. Professional standards also require that we provide you with the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of North Stonington, Connecticut, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the allowance for uncollectibles related to property tax and lien fees receivable is based on management's review of historical results and knowledge of the delinquent accounts. We evaluated the key factors and assumptions used to develop the allowance for uncollectibles in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of the audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 20, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We applied certain limited procedures to the management's discussion and analysis and the required

supplementary information (RSI) listed in the table of contents of the financial statements, which supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Restriction on Use

This information is intended solely for the use of the Board of Finance and management of the Town of North Stonington, Connecticut, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Certified Public Accountants

TOWN OF NORTH STONINGTON, CONNECTICUT

STATE SINGLE AUDIT

YEAR ENDED JUNE 30, 2017

with

INDEPENDENT AUDITORS' REPORTS

Sandra E. Welwood, LLC
Certified Public Accountants

TOWN OF NORTH STONINGTON, CONNECTICUT

STATE SINGLE AUDIT

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Certified Public Accountants
46 Main Street
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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, 2017, 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 20, 2017.

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 20, 2017

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 in Accordance with 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, 2017. 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, 2017.

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, 2017, 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 20, 2017, 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 20, 2017

TOWN OF NORTH STONINGTON, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2017

State Grantor; Pass - Through Grantor Program Title	State Grant Program CORE-CT Number	Expenditures
Connecticut State Library		
Historic document preservation grants	12060-CSL66094-35150	$ 4,000
		4,000
Department of Public Health		
Small town economic assistance program (STEAP)	12052-DPH48615-43410	158,132
		158,132
Department of Justice		
Judicial fines and fees	34001-JUD95162-40001	5,400
		5,400
Department of Transportation		
Town aid road grants transportation fund	12052-DOT57131-43455	240,036
Highway planning and construction	12062-DOT57191-22108	30,254
		270,290
Office of Policy and Management		
Property tax relief on property of totally disabled persons	11000-OPM20600-17011	572
Property tax relief for elderly and totally disabled homeowners	11000-OPM20600-17018	33,633
Property tax relief for veterans	11000-OPM20600-17024	5,706
Payments in lieu of taxes (PILOT) on State-owned property	11000-OPM20600-17004	219
		40,130
Department of Education		
Child nutrition state matching grant	11000-SDE64370-16211	2,374
Healthy foods initiative	11000-SDE64370-16212	4,813
School breakfast program	11000-SDE64370-17046	2,907
Health services	11000-SDE64370-17034	3,516
Adult education	11000-SDE64370-17030	8,079
Summer EBT	12060-SDE64165-26130	779
		22,468
Total state financial assistance before exempt programs		500,420
Exempt programs:		
Department of Education		
Education equalization grants	11000-SDE64370-17041	2,834,469
Office of Policy and Management		
Municipal revenue sharing	12002-OPM20600-17102	107,832
Mashantucket Pequot and Mohegan fund grant	12009-OPM20600-17005	841,889
Total exempt programs		3,784,190
Total state financial assistance		$ 4,284,610

See notes to schedule.

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, 2017. 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, 2017

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:

State Grantor and Program	State CORE-CT Number	Expenditures
Department of Transportation		
Town aid road grants transportation fund	12052-DOT57131-43455	$ 240,036
Department of Public Health		
Small town economic assistance program (STEAP)	12052-DPH48615-43410	$ 158,132

- Dollar threshold used to distinguish between type A and B programs $ 100,000

TOWN OF NORTH STONINGTON, CONNECTICUT

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017

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, 2017, 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, 2017, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 9 and the required supplementary information on page 40 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 20, 2017, 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 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 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 20, 2017

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, 2017. Please read it in conjunction with the Town's financial statements, which begin on page 10.

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 at the close of the most recent fiscal year by $13,906,566 (net position). This is an increase of $990,751 or 7.7% from the prior fiscal year.

- Government-wide revenues were $22,058,894 and expenses were $21,068,143. On a government-wide basis, revenues exceeded expenses by $990,751.

- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of $2,385,904, a decrease of $41,758 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 Capital Project Fund, and other smaller funds.

- In the General Fund, revenues exceeded expenses and net transfers by $870,488. The total General Fund balance of $2,984,470 as of June 30, 2017, compares to a balance of $2,113,982 in the prior year.

- At the end of the current fiscal year, the Unassigned General Fund balance was $2,557,765. This represents 13.9% 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 12. 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 (Deficits) 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 (Deficits) for the General, Capital Nonrecurring, Capital Projects, and Emergency Services Center funds. Data from other governmental funds are combined into a single aggregated presentation as Other Funds.

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 $990,751 from a year ago. Our analysis below focuses on the net position and changes in net position of the Town.

		Change During Year		
	2017	Dollars	Percent	2016
Assets				
Current and other assets	$ 10,407,268	$ 4,564,102	78.1%	$ 5,843,166
Capital assets	12,752,109	1,109,666	9.5%	11,642,443
Total assets	23,159,377	5,673,768	32.4%	17,485,609
Liabilities				
Long-term debt outstanding	1,746,456	(72,537)	-4.0%	1,818,993
Other liabilities	7,506,355	4,755,554	172.9%	2,750,801
Total liabilities	9,252,811	4,683,017	102.5%	4,569,794
Net Position				
Net investment in capital assets	5,558,109	(3,730,334)	-40.2%	9,288,443
Restricted – expendable	485,159	(9,227)	-1.9%	494,386
Unrestricted	7,863,298	4,730,312	151.0%	3,132,986
Total net position	$ 13,906,566	$ 990,751	7.7%	$ 12,915,815

Capital Assets increased by $1,109,666. The increase includes $474,748 reduction for current year depreciation expense, which was more than offset the Town's capital spending during the year.

During the current year, the Town paid the annual principal due of $300,000 on the general obligation serial notes. The Town also paid the $2,000,000 short-term notes (BANS) outstanding through the issuance of new BANS in the amount of $7,146,000. Subsequent to year end, the new BANS were paid through the issuance of $7,146,000 of BANS. The additional proceeds will be used primarily for the Emergency Services Center. See Notes 7 and 8 to the financial statements for additional information.

	2017	Change During Year Dollars	Percent	2016
Revenues				
Program revenues:				
Charges for services	$ 570,717	$ 23,336	4.3%	$ 547,381
Operating grants and contributions	6,085,768	936,455	18.2%	5,149,313
Capital grants and contributions	188,387	50,028	36.2%	138,359
General revenues:				
Property taxes	14,075,438	120,631	0.9%	13,954,807
Grants and contributions	1,083,445	71,715	7.1%	1,011,730
Interest and investment earnings	4,302	1,886	78.1%	2,416
Other	50,837	8,382	19.7%	42,455
Total revenues	22,058,894	1,212,433	5.8%	20,846,461
Expenses				
General government	2,470,621	78,858	3.3%	2,391,763
Public safety	1,061,426	(290,247)	-21.5%	1,351,673
Public works	1,634,511	(203,749)	-11.1%	1,838,260
Education	15,897,053	999,983	6.7%	14,897,070
Interest on long-term debt	4,532	(4,557)	-50.1%	9,089
Total expenses	21,068,143	580,288	2.8%	20,487,855
Change in net position	$ 990,751	$ 632,145	176.3%	$ 358,606

The following are the significant changes from the prior year:

- Operating grants revenue increased $936,455 (18.2%) because of an increase of $1,107,097 in the teachers' retirement on behalf payments from $1,311,584 to $2,418,681.

- Capital grants revenue increased $50,028 (36.2%) because the current year includes higher STEAP reimbursement grants.

- Education expenses increased $999,983 (6.7%) primarily from an increase in the current year teachers' retirement on behalf payments mentioned above compared to the prior year.

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.

At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of $2,385,904, a decrease of $41,758 from the prior year.

Ending Fund Balance as of:	2017	2016	Change
General Fund	$ 2,984,470	$ 2,113,982	$ 870,488
Capital Nonrecurring Fund	205,866	173,212	32,654
Capital Projects Fund	1,200,291	1,078,933	121,358
Emergency Services Center	(686,682)	(1,033,521)	346,839
School Capital Project	(1,436,109)	-	(1,436,109)
Other Funds	118,068	95,056	23,012
Total	$ 2,385,904	$ 2,427,662	$ (41,758)

The General Fund is the operating fund of the Town. At the end of the current fiscal year, the Unassigned General Fund balance was $2,557,765. 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 13.9% of total General Fund expenditures (on a budgetary basis) in the current fiscal year. In the prior year, the Unassigned Fund Balance was 10.4% of the total General Fund expenditures (on a budgetary basis).

The Town's total General Fund balance increased by $870,488 or 41.2% 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:

Revenues:	Final Budget	Actual	Better (Worse) Than Budget
Property taxes	$ 13,781,762	$ 14,225,132	$ 443,370
Interest and investment earnings	1,500	4,302	2,802
Intergovernmental	4,748,775	4,344,653	(404,122)
Licenses, fees, fines and charges	182,501	212,947	30,446
Other	191,743	286,214	94,471
Total revenues	18,906,281	19,073,248	166,967
Expenditures:			
General government	4,852,150	4,460,971	391,179
Debt service	754,470	754,532	(62)
Capital outlay	430,173	428,861	1,312
Education	12,875,068	12,753,559	121,509
Total expenditures	18,911,861	18,397,923	513,938
Increase in fund balance – budgetary basis	$ (5,580)	$ 675,325	$ 680,905

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of this year, the Town had $12,752,109 invested in capital assets. This amount represents a net increase (including additions and deductions) of $1,109,666 from last year. This is primarily due to various infrastructure projects, which was more than offset by 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 year end, the Town had no general obligation notes outstanding. This is a decrease of $300,000 from the $300,000 general obligation notes that were outstanding last year. The Town is currently not rated by the rating agencies because all general obligation bonds outstanding have been paid in full. More detailed information about the Town's long-term obligations is presented in Notes 7 and 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Grand List for Fiscal Year 2016-2017 only grew by approximately one percent. The Town had another successful year in its operations and our surplus increased to $2,557,765, which is 13.3% of the Town's proposed Fiscal Year 2017-2018 budget.

First Selectman Shawn Murphy started the second year of his term and has continued to work with all boards, commissions, and departments to streamline the governmental process and provide professional services to our residents and taxpayers. He has worked on the remodeling and updates of the New Town Hall offices and has plans to complete the work in the New Town Hall Conference Room and public ways early next year. A new full time combined Zoning and Economic Development Coordinator position was created this year and is working with the EDC and Zoning Boards to encourage new development for our Town. The Center for Emergency Services contract was awarded to Enterprise Builders for $4,200,000 and the Project is anticipated to be completed in April, 2018. The approved School Modernization Building Project is pending a State budget and bonding award. The Committee has continued preparing a shovel ready project through the bidding process and then will wait for State decisions.

The Town is approaching Fiscal Year 2017-2018 with some uncertainty due to the fact the State of Connecticut has not yet adopted a biennium budget and finalized revenues for Education Cost Sharing and all of the other municipal grants and aid. The Town is continuing to operate on last year's budget until a resolution can be reached. All Departments, Boards, and Commissions have adopted a very conservative approach to spending but will do everything possible to maintain all services for the Town. Tax bills have been sent at the Fiscal Year 2016-2017 mil rate of 27 with a second billing to be sent in mid to late December with the new mil rate dependent upon what the State Legislature adopts for budgets. The Board of Selectmen and all the Town officials are determined to continue to provide our residents and commercial businesses the best services possible.

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, 2017

Assets	
Current assets:	
Cash and cash equivalents	$ 9,454,592
Receivables:	
Taxes and interest, net of allowance of $290,000	674,422
Intergovernmental	192,337
Other	27,626
Prepaid expenses	31,550
Inventory	3,488
Due from fiduciary funds	23,253
Noncurrent assets:	
Capital assets:	
Not being depreciated	2,688,448
Being depreciated, net of accumulated depreciation	10,063,661
Total assets	$ 23,159,377
Liabilities	
Current liabilities:	
Accounts payable	$ 299,268
Accrued expenses	38,817
Unearned revenue	22,270
Bond anticipation note	7,146,000
Noncurrent liabilities:	
Due within one year	56,227
Due in more than one year	1,690,229
Total liabilities	9,252,811
Net Position	
Net investment in capital assets	5,558,109
Restricted:	
Expendable	485,159
Unrestricted	7,863,298
Total net position	13,906,566
Total liabilities and net position	$ 23,159,377

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, 2017

	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
General government	$ (2,470,621)	$ 390,550	$ 171,490	$ -	$ (1,908,581)
Public safety	(1,061,426)	-	31,050	-	(1,030,376)
Public works	(1,634,511)	-	240,036	188,387	(1,206,088)
Education	(15,897,053)	180,167	5,643,192	-	(10,073,694)
Interest on debt	(4,532)	-	-	-	(4,532)
Total governmental activities	$ (21,068,143)	$ 570,717	$ 6,085,768	$ 188,387	(14,223,271)
General Revenues:					
Property taxes, interest, and lien fees					14,075,438
Grants and contributions not restricted to specific programs					1,083,445
Interest and investment earnings					4,302
Other					50,837
Total general revenues					15,214,022
Change in net position					990,751
Net position, beginning of year					12,915,815
Net position, end of year					$ 13,906,566

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

TOWN OF NORTH STONINGTON, CONNECTICUT

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017

	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	School Capital Project	Other Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 4,077,550	$ 204,998	$ -	$ 4,869,472	$ 203,947	$ 98,625	$ 9,454,592
Receivables:							
Taxes and interest, net of allowance of $290,000	674,422	-	-	-	-	-	674,422
Intergovernmental	184,465	-	-	-	-	7,872	192,337
Other	27,626	-	-	-	-	-	27,626
Prepaid expenses	31,550	-	-	-	-	-	31,550
Due from other funds	-	868	1,200,291	-	-	9,671	1,210,830
Due from fiduciary funds	-	-	-	-	-	23,253	23,253
Inventory	-	-	-	-	-	3,488	3,488
Total assets	$ 4,995,613	$ 205,866	$ 1,200,291	$ 4,869,472	$ 203,947	$ 142,909	$ 11,618,098
Liabilities							
Accounts payable	$ 249,212	$ -	$ -	$ -	$ 50,056	$ -	$ 299,268
Accrued expenses	29,063	-	-	154	-	9,600	38,817
Unearned revenue	7,029	-	-	-	-	15,241	22,270
Bond anticipation notes	-	-	-	5,556,000	1,590,000	-	7,146,000
Due to other funds	1,210,830	-	-	-	-	-	1,210,830
Total liabilities	1,496,134	-	-	5,556,154	1,640,056	24,841	8,717,185
Deferred Inflows of Resources							
Unavailable revenue - taxes	515,009	-	-	-	-	-	515,009
Fund Balances (Deficits)							
Nonspendable	31,550	-	-	-	-	3,488	35,038
Restricted	-	29,606	417,552	-	-	38,001	485,159
Committed	-	176,260	782,739	-	-	23,253	982,252
Assigned	395,155	-	-	-	-	58,896	454,051
Unassigned	2,557,765	-	-	(686,682)	(1,436,109)	(5,570)	429,404
Total fund balances (deficits)	2,984,470	205,866	1,200,291	(686,682)	(1,436,109)	118,068	2,385,904
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 4,995,613	$ 205,866	$ 1,200,291	$ 4,869,472	$ 203,947	$ 142,909	

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.	12,752,109
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	515,009
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences and pension benefits	(1,698,456)
Landfill costs	(48,000)
Net position	$ 13,906,566

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 (DEFICITS)
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	School Capital Project	Other Funds	Total Governmental Funds
Revenues:							
Property taxes	$ 14,225,132	$ -	$ -	$ -	$ -	$ -	$ 14,225,132
Intergovernmental	6,763,334	-	-	-	-	557,532	7,320,866
Local	485,948	-	-	-	-	176,642	662,590
Total revenues	21,474,414	-	-	-	-	734,174	22,208,588
Expenditures:							
Current:							
General government	1,867,788	-	-	-	-	182,768	2,050,556
Public safety	883,821	-	-	103,161	-	-	986,982
Public works	1,513,025	-	-	-	-	-	1,513,025
Education	15,156,314	-	-	-	-	531,594	15,687,908
Capital outlay	-	20,790	250,444	-	1,436,109	-	1,707,343
Debt service	304,532	-	-	-	-	-	304,532
Total expenditures	19,725,480	20,790	250,444	103,161	1,436,109	714,362	22,250,346
Excess of revenues over (under) expenditures	1,748,934	(20,790)	(250,444)	(103,161)	(1,436,109)	19,812	(41,758)
Other Financing Sources (Uses):							
Transfers in	15,971	468,444	387,773	450,000	-	3,200	1,325,388
Transfers out	(894,417)	(415,000)	(15,971)	-	-	-	(1,325,388)
Total other financing sources (uses)	(878,446)	53,444	371,802	450,000	-	3,200	-
Net change in fund balances	870,488	32,654	121,358	346,839	(1,436,109)	23,012	(41,758)
Fund balances (deficits), beginning of year	2,113,982	173,212	1,078,933	(1,033,521)	-	95,056	2,427,662
Fund balances (deficits), end of year	$ 2,984,470	$ 205,866	$ 1,200,291	$ (686,682)	$ (1,436,109)	$ 118,068	$ 2,385,904

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

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, 2017

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

Net change in fund balances - total governmental funds	$ (41,758)
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 treated as expenditures	1,584,414
Depreciation expense not considered in the fund statements	(474,748)
	1,109,666
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:	
General obligation bonds	300,000
Post-closure landfill costs	6,000
	306,000
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	(149,694)
Expenses:	
Compensated absences and other post-employment benefits payable	(233,463)
	(383,157)
Change in net position	$ 990,751

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, 2017

	Budgeted Amounts			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes, interest, and lien fees	$ 13,781,762	$ 13,781,762	$ 14,225,132	$ 443,370
Interest and investment earnings	1,500	1,500	4,302	2,802
Intergovernmental	4,748,775	4,748,775	4,344,653	(404,122)
Licenses, fees, fines and charges	182,501	182,501	212,947	30,446
Other	191,743	191,743	286,214	94,471
Total revenues	18,906,281	18,906,281	19,073,248	166,967
Expenditures:				
Current:				
General government	179,068	181,143	180,442	701
Probate Court	1,794	1,794	1,794	-
Board of Finance	12,551	12,551	8,560	3,991
Assessor's Office	128,493	128,493	128,015	478
Board of Assessment Appeals	1,250	1,250	815	435
Tax Collector	58,112	62,273	57,407	4,866
Town Treasurer	7,000	7,000	7,027	(27)
Town Attorney	45,000	45,000	12,305	32,695
Annexation related	47,000	47,000	45,588	1,412
Town Clerk	76,562	76,562	61,377	15,185
Planning and Zoning Commission	131,006	131,006	118,499	12,507
Building Department	32,023	32,023	31,944	79
Zoning Board of Appeals	1,000	1,000	919	81
Affordable housing committee	1,000	1,000	290	710
School Building and Planning Committee	100	100	-	100
Economic Development Commission	44,183	26,357	4,008	22,349
Recreation Commission	103,893	103,893	86,704	17,189
Inland Wetlands Commission	7,868	7,868	7,557	311
Conservation Commission	2,100	2,100	2,044	56
Fixed charges	846,653	846,653	785,536	61,117
Elections and Town Meetings	45,184	45,184	25,876	19,308
Town Hall	70,400	70,400	59,437	10,963
Social Services/Welfare	42,875	42,875	42,259	616
Selectmen's Engineering Service	3,500	3,500	1,995	1,505
Information Technology	73,511	85,101	78,701	6,400
Public safety	1,006,409	1,006,409	882,899	123,510
Public works	1,751,018	1,751,018	1,696,098	54,920
Conservation of Health	32,751	32,751	28,640	4,111
Senior Citizens	60,295	60,295	57,789	2,506
Miscellaneous	39,551	39,551	46,446	(6,895)
Education	12,875,068	12,875,068	12,753,559	121,509
Capital outlay	825,473	430,173	428,861	1,312
Debt service	339,470	754,470	754,532	(62)
Total expenditures	18,892,161	18,911,861	18,397,923	513,938
Net change in fund balance	$ 14,120	$ (5,580)	675,325	$ 680,905
Fund balance, beginning of year			1,913,990	
Fund balance, end of year			$ 2,589,315	

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, 2017

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	$ -	$ 203,045
Investments	3,115,987	-
Other receivables	98,805	-
Total assets	3,214,792	203,045
Liabilities		
Due to students and developers	-	179,792
Due to governmental funds	-	23,253
Total liabilities	-	203,045
Net position held in trust for pension benefits	$ 3,214,792	$ -

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, 2017

	Pension Trust Funds
Additions:	
Employer contributions	$ 184,743
Investment earnings (losses)	193,516
Total additions	378,259
Deductions:	
Distributions	251,895
Total deductions	251,895
Change in net position	126,364
Net position, beginning of year	3,088,428
Net position, end of year	$ 3,214,792

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

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.

Agency 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.

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 Capital Project** is used to record the activity and related bond anticipation notes oustanding 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 **Agency 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.

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, 2017, the Town has established an allowance for uncollectible taxes and interest of $290,000.

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:

Assets	Years	Capitalization Threshold
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 only has one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes. 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.

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.

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 – the Town does not recognize as income or expenditures payments made for teachers' retirement by the State of Connecticut on the Town's behalf in its budget. The Governmental Accounting Standards Board's Statement No. 68 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:

	Fund Balance Beginning	Revenues	Expenditures	Other Uses	Fund Balance Ending
GAAP basis	$ 2,113,982	$ 21,474,414	$ (19,725,480)	$ (878,446)	$ 2,984,470
Encumbrances:					
June 30, 2016	(199,992)	-	199,992	-	-
June 30, 2017	-	-	(395,155)	-	(395,155)
Reclassifications	-	17,515	(895,961)	878,446	-
Teachers' retirement system on behalf payments	-	(2,418,681)	2,418,681	-	-
Budgetary basis	$ 1,913,990	$ 19,073,248	$ (18,397,923)	$ -	$ 2,589,315

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.

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 bond 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	$ 9,454,592
Agency funds	203,045
Total cash and cash equivalents	$ 9,657,637

Custodial Credit Risk on Deposits

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

Covered by Federal Depository Insurance	$ 454,844
Uninsured and collateralized	1,963,161
Uninsured and uncollateralized	7,833,053
Total Deposits	$ 10,251,058

Investments

As of June 30, 2017, the Town's investments consisted of the following:

	Fiduciary Funds
Equity mutual funds	$ 3,115,987

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, 2017.

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:

Year Ending	Future Rental Payments
2018	$ 29,685
2019	24,693
2020	25,413
2021	250
Total	$ 80,041

Note 5 – Capital Assets

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

General government	$ 63,673
Public works	127,486
Public safety	74,444
Education	209,145
Total depreciation expense	$ 474,748

Capital asset activity for the year was as follows:

	Balance at July 1, 2016	Increases	Decreases	Balance at June 30, 2017
Capital assets not being depreciated:				
Construction in process	$ 299,066	$ 1,436,142	$ -	$ 1,735,208
Land	953,240	-	-	953,240
	1,252,306	1,436,142	-	2,688,448
Capital assets being depreciated:				
Buildings and improvement	13,054,770	100,000	-	13,154,770
Furniture and equipment	6,191,542	48,272	(8,335)	6,231,479
Infrastructure	3,185,995	-	-	3,185,995
	22,432,307	148,272	(8,335)	22,572,244
Accumulated depreciation	(12,042,170)	(474,748)	8,335	(12,508,583)
Capital assets, net	$ 11,642,443	$ 1,109,666	$ -	$ 12,752,109

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 to the Capital Nonrecurring Fund and Capital Projects Fund were made to finance several projects.

	Transfers In					
	General Fund	Capital Nonrecurring Fund	Capital Projects Fund	Emergency Services Center	Other Funds	Total
Transfers out:						
General Fund	$ -	$ 468,444	$ 387,773	$ 35,000	$ 3,200	$ 894,417
Capital Projects Fund	15,971	-	-	-	-	15,971
Capital Nonrecurring Fund	-	-	-	415,000	-	415,000
	$ 15,971	$ 468,444	$ 387,773	$ 450,000	$ 3,200	$ 1,325,388

As of June 30, 2017, interfund receivables and payables were as follows:

	Due From: General Fund
Due To:	
Capital Nonrecurring Fund	$ 868
Capital Projects Fund	1,200,291
Education Grant Fund	9,671
	$ 1,210,830

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.

Note 7 – Bond Anticipation Notes

The Town uses bond anticipation notes during the construction period of various capital projects prior to the issuance of the bonds at the completion of the project.

Short-term obligation activity for the year ended June 30, 2017, was as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Capital Projects	$ 2,000,000	$ 7,146,000	$ 2,000,000	$ 7,146,000

At June 30, 2017, there was a bond anticipation note of $7,146,000 outstanding with a maturity date of July 13, 2017, bearing an interest rate of 1.450%.

Note 8 – Long-Term Obligations

Changes In Long-Term Obligations

Long-term obligation activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General obligation serial note	$ 300,000	$ -	$ 300,000	$ -	$ -
Compensated absences	125,146	32,128	-	157,274	-
Post-closure landfill costs	54,000	-	6,000	48,000	6,000
Net OPEB obligation	1,339,847	251,562	50,227	1,541,182	50,227
	$ 1,818,993	$ 283,690	$ 356,227	$ 1,746,456	$ 56,227

Authorized and Unissued Debt

At June 30, 2017, there was $804,000 authorized and unissued bonds for the Emergency Services Center and 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, 2017.

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. During the year, there were no actual costs incurred.

Note 9 – Net Position and Fund Balances

Restricted Net Position

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

	Expendable
Sewer study (STEAP grant)	$ 144,818
Water study (STEAP grant)	36,679
Village water line (STEAP grant)	236,055
Town Clerk document restoration	4,358
LOCIP capital improvements	25,248
Scholarships	38,001
	$ 485,159

Fund Balances

As of June 30, 2017, governmental fund balances are composed of the following:

	General Fund	Capital Nonrecurring	Capital Projects Fund	Emergency Services Center	School Capital Project	Other Funds	Total Governmental Funds
Nonspendable:							
Prepaid expenses	$ 31,550	$ -	$ -	$ -	$ -	$ -	$ 31,550
Inventory	-	-	-	-	-	3,488	3,488
	31,550	-	-	-	-	3,488	35,038
Restricted:							
Capital projects	-	29,606	417,552	-	-	-	447,158
Education	-	-	-	-	-	38,001	38,001
	-	29,606	417,552	-	-	38,001	485,159
Committed:							
Capital projects	-	176,260	782,739	-	-	-	958,999
Inland Wetland mitigation	-	-	-	-	-	13,256	13,256
Open space	-	-	-	-	-	9,997	9,997
	-	176,260	782,739	-	-	23,253	982,252
Assigned:							
General government	1,807	-	-	-	-	1,000	2,807
Public safety	12,756	-	-	-	-	-	12,756
Public works	334,844	-	-	-	-	-	334,844
Education	45,748	-	-	-	-	57,896	103,644
	395,155	-	-	-	-	58,896	454,051
Unassigned	2,557,765	-	-	(686,682)	(1,436,109)	(5,570)	429,404
	$ 2,984,470	$ 205,866	$1,200,291	$ (686,682)	$(1,436,109)	$ 118,068	$ 2,385,904

Note 10 – Deficit Fund Balances

The Emergency Services Center, School Capital Project, and Education Grants funds have deficit fund balances of $686,682, $1,436,109, and $5,570, respectively, and are expected to be funded by the General Fund, issuance of debt, and intergovernmental grants.

Note 11 – 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, 2017, there were 13 participants in the Board of Education defined contribution plans below, which are administered as one plan by National Retirement Services, Inc.

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. For the year ended June 30, 2017, the Town contributed $16,398 to the plan.

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. For the year ended June 30, 2017, the Town contributed $48,650 to the plan.

General Government Pension Plan

Eligibility in the plan is limited to the Town Clerk, Tax Collector, members of the United Steelworkers of America (USWA), Municipal Employees Union Independent (MEUI), and Salaried Employees of North America (a division of the USWA) who have completed one year of service. Participants may voluntarily contribute to the plan. The Town's funding policy is as follows:

Municipal Employee Union Independent	7.5% of annual compensation
United Steelworkers of America	8.75% of annual compensation
All other participants employed before 12/01/96	10% of annual compensation
All other participants employed on or after 12/01/96	4% of annual compensation

For the year ended June 30, 2017, the Town contributed $98,805 to the plan all of which is allocated to the participants' individual retirement. The plan is administered by the Town. There were 20 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.

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 by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling (860) 702-3480.

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).

Summary of Significant Accounting Policies

For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the State's requirement to contribute to the System, information about the System's fiduciary net position and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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.)

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 7.25% of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2016/2017 school year, $453,623 mandatory contributions were deducted from the salaries of teachers who were participants of the System during that school year. The estimated covered payroll for the Town is $6,257,403. The Town had 87 active participants in the System at June 30, 2017.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following key actuarial assumptions:

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.

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

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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	6.0%	0.4%
Total	100.0%	

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.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Sensitivity of the system's proportionate share of the net pension liability related to the Town	$ 28,303,364	$ 22,178,866	$ 16,972,861

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 $22,178,866 and 100% of the collective net pension liability is allocated to the State.

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, 2017, the Town recognized $2,418,681 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

Note 12 – 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 13 – 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 14 – Other Post Employment Benefits (OPEB)

Plan Description

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.

Actuarial Assumptions and Methods

Latest Actuarial Date	July 1, 2016
Actuarial Cost Method	Projected Unit Credit
Discount Rate	4.00%
Payroll Growth Rate	3.00%
Medical Inflation	Initial rate of 8.5% grading down to an ultimate inflation rate of 5% over a 10 year period.
Amortization Method	Open, level percentage of projected payroll over 30 years.
Mortality Table	RP-2000 Health Mortality Table projected generationally with Scale AA.
Disability Rates	None assumed.
Turnover	Teachers and Administrators – rates based on gender and length of service for the first 10 years and gender and age thereafter. All others – rates based on age.
Retirement	Teachers and Administrators – rates based on age, eligibility for pension benefits, and gender. All others – 5% at age 55 with 10 years of service as a base and increasing thereafter.
Future Retiree Coverage	Teachers and Administrators – 9% are assumed to elect coverage at retirement.
Future Dependent Coverage	All others – 10% are assumed to elect coverage at retirement. Male 50%; Female 30% with female spouses assumed to be 3 years younger than males.

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.

Plan Participants

The plan had the following number of participants as of July 1, 2016:

Active	132
Retirees	5
Dependents	1
Total	138

Schedule of Employer Contributions

The schedule of employer contributions is as follows:

Schedule of Employer Contributions			
Year Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2017	$ 249,664	$ 50,227	20.12%
2016	283,920	137,712	48.50%
2015	283,920	126,842	44.69%
2014	232,007	88,193	38.01%
2013	232,007	69,425	29.92%
2012	149,030	189,390	127.08%

Annual Required Contribution (ARC)

The Annual Required Contribution (ARC) for the OPEB plan consists of two pieces:

Past Service Cost (a catch-up accrual to amortize the Unfunded Accrued Liability). The amortization period is 30 years starting on July 1, 2007. The ARC is assumed to be paid at the beginning of the fiscal year. Interest is also calculated on the Unfunded Accrued Liability and added to the Annual Required Contribution.

Normal Cost is the present value of the portion of the projected benefit attributable to the current year (the cost of benefits earned each year should be accrued in that year).

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortization of any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The annual calculation of Annual Required Cost (ARC) is as follows:

Past Service Cost	$ 136,214
Normal Cost	103,848
Interest	9,602
Annual Required Contribution (ARC)	$ 249,664

Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the Town's net OPEB obligation:

Annual required contribution (ARC)	$ 249,664
Interest on net OPEB obligation	53,594
Adjustment to annual required contribution	(51,696)
Annual OPEB cost (AOC)	251,562
Contributions made	(50,227)
Increase in net OPEB obligation	201,335
Net OPEB obligation, beginning of year	1,339,847
Net OPEB obligation, end of year	$ 1,541,182

Trend Information

Fiscal Year Ending	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
6/30/17	$ 251,562	20.0%	$ 1,541,182
6/30/16	294,663	46.7%	1,339,847
6/30/15	293,152	43.3%	1,182,896

Funded Status and Funding Progress: The funded status of the plan as of July 1, 2016 (the date of the most recent actuarial valuation) was as follows:

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit Cost Method (b)	(Unfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a % of Covered Payroll ((b-a)/c)
$ -	$ 3,564,638	$ 3,564,638	0.0%	$ 8,250,946	43.2%

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the Town are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

Other Disclosures

The calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Note 15 – Recently Issued Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements, except for GASB Statement No. 75, which will most likely have a material impact, though the amount has not yet been determined:

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. GASB Statement No. 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide:

- Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments.
- Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan.
- Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

GASB Statement No. 75 carries forward from GASB Statement No. 45 the option to use a specified alternative measurement method in place of an actuarial valuation for purposes of determining the total OPEB liability for benefits provided through OPEB plans in which there are fewer than 100 plan members (active and inactive). This option was retained in order to reduce costs for smaller governments. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 81, Irrevocable Split-Interest Agreements. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively.

GASB issued Statement No. 82, Pension Issues – an amendment of GASB Statements No. 67, No. 68 and No. 73. This statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this statement are effective for periods beginning after June 15, 2017.

GASB Statement No. 83, Certain Asset Retirement Obligations. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 84, Fiduciary Activities. 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.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 86, Certain Debt Extinguishment Issues. This Statement improves the consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

GASB Statement No. 87, Leases. This Statement improves the 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 reporting periods beginning after December 15, 2019.

Note 16 – Subsequent Events

In July 2017, the Town paid off the $7,146,000 Bond Anticipation Notes (BANS) through the issuance of $5,340,000 and $1,590,000 of new BANS, maturing July 12, 2018 and October 12, 2017, respectively, with the balance paid with cash. On October 12, 2017, the total amount of the $1,590,000 BAN was paid and a new BAN in the same amount was issued with a maturity date of January 11, 2018.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

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

	2017	2016	2015
Town's proportion of the net pension liability	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with the Town	22,178,866	16,369,155	15,130,003
Total	$ 22,178,866	$ 16,369,155	$ 15,130,003
Town's covered-employee payroll	$ 6,257,403	$ 6,145,952	$ 5,900,786
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
System fiduciary net position as a percentage of the total pension liability	52.26%	59.50%	61.51%

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.

SUPPLEMENTAL
STATEMENTS AND SCHEDULES

TOWN OF NORTH STONINGTON, CONNECTICUT

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Revenues:					
Property taxes, interest and lien fees:					
General property taxes - current	$ 13,431,762	$ -	$ 13,431,762	$ 13,738,563	$ 306,801
General property taxes - past	150,000	-	150,000	205,757	55,757
Supplemental motor vehicles	100,000	-	100,000	141,566	41,566
Interest and lien fees	100,000	-	100,000	139,246	39,246
	13,781,762	**-**	**13,781,762**	**14,225,132**	**443,370**
Interest and investment earnings	**1,500**	**-**	**1,500**	**4,302**	**2,802**
Intergovernmental:					
Education cost sharing	2,868,240	-	2,868,240	2,834,469	(33,771)
Casino revenue	841,889	-	841,889	841,889	-
State aid for town road	240,033	-	240,033	240,036	3
Local and vocational transportation	52,340	-	52,340	-	(52,340)
Local capital improvement program	48,062	-	48,062	-	(48,062)
Police reimbursement	82,501	-	82,501	31,050	(51,451)
Telecommunications revenue share	25,000	-	25,000	14,954	(10,046)
PILOT program reimbursement	219	-	219	219	-
Elderly exemption reimbursement	40,000	-	40,000	33,633	(6,367)
Municipal revenue sharing	107,832	-	107,832	107,832	-
Regional adult education	7,258	-	7,258	8,079	821
Veterans exemption reimbursement	6,000	-	6,000	5,706	(294)
Records preservation	4,000	-	4,000	4,000	-
Non-public nurse reimbursement	4,345	-	4,345	3,516	(829)
Disabled exemption reimbursement	500	-	500	572	72
Tuition reimbursement	22,866	-	22,866	22,730	(136)
STEAP	200,000	-	200,000	158,132	(41,868)
Emergency management	3,000	-	3,000	7,581	4,581
Boombridge road	194,690	-	194,690	30,255	(164,435)
	4,748,775	**-**	**4,748,775**	**4,344,653**	**(404,122)**
Licenses, fees, fines and charges:					
Licenses, permits, conveyance taxes	80,000	-	80,000	120,567	40,567
Recreation Commission	63,000	-	63,000	45,173	(17,827)
Building official	35,000	-	35,000	47,171	12,171
Town Clerk LOCIP	1	-	1	27	26
Town Clerk restoration fees	4,000	-	4,000	9	(3,991)
Sanitation	500	-	500	-	(500)
	182,501	**-**	**182,501**	**212,947**	**30,446**

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Other:					
Contractor's tipping fees	$ 97,500	$ -	$ 97,500	$ 126,797	$ 29,297
Transfer stickers	-	-	-	-	-
Rent Town Property	42,287	-	42,287	42,287	-
Sale of town vehicles	1	-	1	8,335	8,334
Sanitary landfill - sale of recyclables	10,000	-	10,000	10,066	66
SCRRRA subsidy	10,750	-	10,750	10,799	49
Miscellaneous	10,000	-	10,000	50,842	40,842
Zoning Enforcement Officer	3,000	-	3,000	4,306	1,306
Town engineering - road inspection	1	-	1	-	(1)
Planning and Zoning	400	-	400	1,038	638
Inland Wetlands	400	-	400	652	252
Assessor's Office	500	-	500	353	(147)
GIS services	50	-	50	55	5
Conservation Commission	1	-	1	-	(1)
Canine account	50	-	50	2,491	2,441
Fire Marshall	100	-	100	-	(100)
Resident trooper ticket revenue	9,200	-	9,200	5,166	(4,034)
Sale of fixed assets	1	-	1	-	(1)
Transfer in deobligated capital projects	1	-	1	15,971	15,970
CIRMA credits	7,501	-	7,501	7,056	(445)
	191,743	**-**	**191,743**	**286,214**	**94,471**
Total revenues	**$ 18,906,281**	**$ -**	**$ 18,906,281**	**$ 19,073,248**	**$ 166,967**

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
General Government:					
Salaries:					
First Selectman	$ 62,425	$ -	$ 62,425	$ 62,665	$ (240)
Second Selectman	2,600	-	2,600	2,600	-
Third Selectman	2,600	-	2,600	2,600	-
Secretary	55,670	-	55,670	55,881	(211)
Bookkeeper	48,033	2,075	50,108	50,300	(192)
Boards of Commissions clerical	250	-	250	-	250
Selectmen's expenditures	2,500	-	2,500	1,990	510
Office expenditures	1,000	-	1,000	308	692
Council of Small Towns	825	-	825	825	-
Certifications/seminars	250	-	250	360	(110)
SE CT Council of Governments	2,913	-	2,913	2,913	-
Accounting consulting	1	-	1	-	1
Town beautification program	1	-	1	-	1
	179,068	2,075	181,143	180,442	701
Probate Court	1,794	-	1,794	1,794	-
Board of Finance:					
Operating expenditures	1,000	-	1,000	170	830
Auditing	11,550	-	11,550	8,390	3,160
Town Report	1	-	1	-	1
	12,551	-	12,551	8,560	3,991
Assessor's Office:					
Salaries:					
Assessor	67,889	-	67,889	68,150	(261)
Assessor assistant	46,484	-	46,484	46,667	(183)
Office expenditures	2,100	-	2,100	2,242	(142)
Seminars	385	-	385	425	(40)
Computer	11,235	-	11,235	10,310	925
Travel expenditures	300	-	300	221	79
Memberships	100	-	100	-	100
	128,493	-	128,493	128,015	478
Board of Assessment Appeals	1,250	-	1,250	815	435
Tax Collector:					
Salaries:					
Tax Collector	34,957	4,161	39,118	39,268	(150)
Clerical	4,655	-	4,655	-	4,655
Office expenditures	9,000	-	9,000	8,794	206
Computer	8,850	-	8,850	8,750	100
Travel expenditures	650	-	650	595	55
	58,112	4,161	62,273	57,407	4,866
Town Treasurer:					
Salary	7,000	-	7,000	7,027	(27)
	7,000	-	7,000	7,027	(27)
Town Attorney	45,000	-	45,000	12,305	32,695
Annexation Related:					
Annexation related	2,000	-	2,000	-	2,000
Tribal recognition	45,000	-	45,000	45,588	(588)
	47,000	-	47,000	45,588	1,412

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Town Clerk:					
Salaries:					
Town Clerk	$ 46,411	$ -	$ 46,411	$ 46,590	$ (179)
Assistant	13,964	-	13,964	-	13,964
Office expenditures	3,500	-	3,500	3,523	(23)
Records restoration grant	4,000	-	4,000	4,000	-
Land records	8,687	-	8,687	7,264	1,423
	76,562	-	76,562	61,377	15,185
Planning and Zoning Commission:					
Salaries:					
Zoning Officer	57,996	-	57,996	55,837	2,159
Assistant	40,480	-	40,480	40,592	(112)
Operating expenditures	7,530	-	7,530	7,175	355
Travel expenditures	1,000	-	1,000	675	325
Attorney	15,000	-	15,000	4,760	10,240
Contracted consulting services	2,000	-	2,000	2,000	-
Contracted planner	7,000	-	7,000	7,460	(460)
	131,006	-	131,006	118,499	12,507
Building Department:					
Salaries:					
Building Official	31,023	-	31,023	31,025	(2)
Operating expenditures	500	-	500	919	(419)
Travel expenditures	500	-	500	-	500
	32,023	-	32,023	31,944	79
Zoning Board of Appeals	1,000	-	1,000	919	81
Affordable housing committee	1,000	-	1,000	290	710
School Building and Planning Committee:					
Permanent School Building Committee	100	-	100	-	100
	100	-	100	-	100
Economic Development Commission:					
Operating expenditures	7,500	-	7,500	2,154	5,346
CT Regional Economic Development	1,958	-	1,958	1,854	104
Consulting	34,725	(17,826)	16,899	-	16,899
	44,183	(17,826)	26,357	4,008	22,349
Recreation Commission:					
Salaries:					
Administrative	23,866	-	23,866	23,958	(92)
Camp Directors, etc.	13,014	-	13,014	10,492	2,522
Program expenditures	51,526	-	51,526	44,467	7,059
Maintenance	3,700	-	3,700	1,127	2,573
Administrative expenditures	11,787	-	11,787	6,660	5,127
	103,893	-	103,893	86,704	17,189
Inland Wetlands Commission:					
Operating expenditures	700	-	700	390	310
Wages - Enforcement Officer	7,168	-	7,168	7,167	1
	7,868	-	7,868	7,557	311
Conservation Commission	2,100	-	2,100	2,044	56

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Water Pollution Control Authority:					
WPCA expenditures	$ -	$ -	$ -	$ -	$ -
WPCA engineering expenditures	-	-	-	-	-
WPCA auditing	-	-	-	-	-
	-	-	-	-	-
Fixed Charges:					
Town insurance	67,000	-	67,000	69,379	(2,379)
Volunteer fire co. insurance	26,800	-	26,800	25,000	1,800
Ambulance association insurance	11,160	-	11,160	10,748	412
Workers compensation insurance	19,268	-	19,268	19,657	(389)
Social security	122,662	-	122,662	111,390	11,272
Medical insurance	382,271	-	382,271	354,450	27,821
Employee benefits - pension	128,992	-	128,992	111,762	17,230
Volunteer incentive award - fire	33,000	-	33,000	28,952	4,048
Volunteer activity stipend - fire	48,000	-	48,000	48,000	-
Volunteer incentive ambulance	7,500	-	7,500	6,198	1,302
	846,653	-	846,653	785,536	61,117
Elections and Town Meetings:					
Salaries:					
Registrar of Voters	5,237	-	5,237	5,237	-
Registrar of Voters	5,237	-	5,237	5,237	-
Expenses	34,710	-	34,710	15,402	19,308
	45,184	-	45,184	25,876	19,308
Town Hall:					
Expenditures	47,000	-	47,000	41,910	5,090
Leasing equipment	12,000	-	12,000	6,976	5,024
Holly Green rental - nursing	7,000	-	7,000	6,249	751
Quarterly newsletter	4,400	-	4,400	4,302	98
	70,400	-	70,400	59,437	10,963
Social Services/Welfare:					
Welfare	3,000	-	3,000	2,384	616
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	500	-	500	500	-
Women's Center	2,500	-	2,500	2,500	-
Frank Olean Regional Center	1,000	-	1,000	1,000	-
NL County ARC	1,575	-	1,575	1,575	-
Easter Seals Rehabilitation Center	1,000	-	1,000	1,000	-
TVCCA	1,500	-	1,500	1,500	-
Literacy volunteers	500	-	500	500	-
Salvation Army	500	-	500	500	-
Mystic Shelter	2,000	-	2,000	2,000	-
United Way of SE CT	500	-	500	500	-
Sex assualt crisis center	300	-	300	300	-
	42,875	-	42,875	42,259	616
Selectmen's Engineering Service:					
Engineering for selectmen	2,500	-	2,500	1,995	505
Inspection of existing roads	1,000	-	1,000	-	1,000
	3,500	-	3,500	1,995	1,505

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Information Technology:					
Coordinator	$ 47,486	$ -	$ 47,486	$ 47,709	$ (223)
Office expense	300	-	300	122	178
Digitized maintenance	9,000	-	9,000	6,506	2,494
Computer maintenance	16,725	11,590	28,315	24,364	3,951
	73,511	11,590	85,101	78,701	6,400
Public Safety:					
911 dispatching	52,819	-	52,819	52,819	-
Volunteer fire company	134,687	-	134,687	134,687	-
Fire Marshal	12,360	-	12,360	12,360	-
Fire Marshal operating expenditures	2,000	-	2,000	1,558	442
State troopers	398,775	-	398,775	342,689	56,086
State trooper DUI grant	70,000	-	70,000	39,350	30,650
State trooper rural road grant	10,000	-	10,000	-	10,000
State trooper citi grant	10,000	-	10,000	-	10,000
State trooper distracted driving	10,000	-	10,000	-	10,000
State trooper other grants	1	-	1	-	1
Civil preparedness agency stipend	6,367	-	6,367	6,365	2
Civil preparedness expenditures	3,000	-	3,000	983	2,017
Emergency generator service contract	1,800	-	1,800	1,424	376
Animal control salary	21,099	-	21,099	21,180	(81)
Animal control assistant salary	1,000	-	1,000	-	1,000
Animal control operating expenditures	7,500	-	7,500	4,938	2,562
Dog damages	1	-	1	-	1
Ambulance association	265,000	-	265,000	264,546	454
	1,006,409	-	1,006,409	882,899	123,510
Public Works:					
Highway:					
Local capital improvements	49,000	-	49,000	-	49,000
State aided - town roads	239,743	-	239,743	237,904	1,839
Town road maintenance	175,000	-	175,000	200,248	(25,248)
Town garage expenditures	23,000	-	23,000	22,992	8
Machinery and maintenance repairs	67,500	-	67,500	63,401	4,099
Street lights	9,200	-	9,200	11,340	(2,140)
Highway foreman	84,465	-	84,465	84,746	(281)
Labor	559,940	-	559,940	527,357	32,583
Supplies	36,000	-	36,000	31,519	4,481
Diesel and gas	55,000	-	55,000	43,912	11,088
Town property - maintenance	7,500	-	7,500	9,677	(2,177)
Town property - labor	14,200	-	14,200	14,200	-
Tree warden	1,500	-	1,500	1,500	-
Hewitt farm property	5,000	-	5,000	1,838	3,162
Tree maintenance	18,000	-	18,000	16,600	1,400
Contracted services	11,000	-	11,000	16,042	(5,042)
	1,356,048	-	1,356,048	1,283,276	72,772

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Sanitary Landfill:					
Labor	$ 179,304	$ -	$ 179,304	$ 169,844	$ 9,460
Cover material	1	-	1	-	1
State mandated surveys	3,500	-	3,500	-	3,500
State license fees	3,200	-	3,200	2,644	556
SCRRA - tipping fees	162,500	-	162,500	189,734	(27,234)
SCRRA - membership fee	500	-	500	-	500
Hazardous waste collection	1,500	-	1,500	-	1,500
Water sampling /lab testing	16,215	-	16,215	16,860	(645)
Transfer station expenditures	11,750	-	11,750	10,515	1,235
Contractual services	16,500	-	16,500	23,225	(6,725)
	394,970	-	394,970	412,822	(17,852)
Total public works	1,751,018	-	1,751,018	1,696,098	54,920
Conservation of Health:					
Public Health Nursing/VNA	1,796	-	1,796	1,486	310
Hepatitis B vaccinations	1,350	-	1,350	-	1,350
Director of Health	6,625	-	6,625	6,625	-
Director of Health operating expenditures	500	-	500	-	500
Sanitarian food service wages	6,000	-	6,000	4,895	1,105
Sanitarian well and septic salary	16,080	-	16,080	15,634	446
Sanitarian operating expenditures	400	-	400	-	400
	32,751	-	32,751	28,640	4,111
Senior Citizens:					
Agent for the Elderly wages	12,365	-	12,365	12,413	(48)
Agent for the Elderly operating expenditures	500	-	500	-	500
Senior Citizens Center Coordinator	21,930	-	21,930	22,014	(84)
Senior Citizens Center - operating expenditures	25,500	-	25,500	23,362	2,138
	60,295	-	60,295	57,789	2,506
Miscellaneous:					
Cemeteries	5,000	-	5,000	3,474	1,526
Tax refunds	1	-	1	8,996	(8,995)
Annual memberships and dues	3,800	-	3,800	3,320	480
Wheeler Library	30,000	-	30,000	30,000	-
Miscellaneous	750	-	750	656	94
	39,551	-	39,551	46,446	(6,895)
Total general government expenditures	**4,852,150**	**-**	**4,852,150**	**4,460,971**	**391,179**

See accompanying Independent Auditors' Report.

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Redemption of Debt:					
ESC BAN principal	$ -	$ 415,000	$ 415,000	$ 415,000	$ -
BAN Interest	4,470	-	4,470	4,532	(62)
BAN principal	300,000	-	300,000	300,000	-
BAN principal	35,000	-	35,000	35,000	-
	339,470	**415,000**	**754,470**	**754,532**	**(62)**
Education	**12,875,068**	**-**	**12,875,068**	**12,753,559**	**121,509**
Capital Outlay:					
Public Works:					
Miscellaneous equipment	5,000	-	5,000	5,000	-
Sweeper	38,973	-	38,973	38,973	-
Dump trck refurbish	10,000	-	10,000	10,000	-
	53,973	-	53,973	53,973	-
Selectmen:					
Ambulance equipment	17,500	-	17,500	17,500	-
Computer - Town Hall	13,500	-	13,500	13,500	-
Recreation lighting conversion	-	-	-	-	-
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	30,000	-	30,000	30,000	-
Town clerk - records preservation	-	-	-	-	-
Fire company - equipment/hose	4,500	-	4,500	4,486	14
Farm house repairs	10,000	-	10,000	10,000	-
Fire company - turnout gear	13,600	-	13,600	13,171	429
Fire company - forestry	135,000	19,700	154,700	154,700	-
Abate & demo Town buildings	60,000	-	60,000	60,000	-
Civil preparedness	1,000	-	1,000	1,000	-
NSAA ambulance	-	-	-	-	-
Wheeler Library book drop	5,000	-	5,000	5,000	-
Boombridge	-	-	-	-	-
Fire company - scuba	7,400	-	7,400	6,531	869
	311,500	19,700	331,200	329,888	1,312
Assessor Revaluation Expense	30,000	-	30,000	30,000	-
Nonrecurring School Expenditures	15,000	-	15,000	15,000	-
ESC capital	415,000	(415,000)	-	-	-
Total capital outlay	**825,473**	**(395,300)**	**430,173**	**428,861**	**1,312**
Total expenditures	**$ 18,892,161**	**$ 19,700**	**$ 18,911,861**	**$ 18,397,923**	**$ 513,938**

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017

	School Lunch Fund	Education Grants	Inland Wetland Mitigation	Open Space	C-PACE	Scholarships Held by School	Housing Rehab Program	**Total**
Assets								
Cash and cash equivalents	$ 59,624	$ -	$ -	$ -	$ 1,000	$ 38,001	$ -	$ 98,625
Receivables	7,872	-	-	-	-	-	-	7,872
Inventory	3,488	-	-	-	-	-	-	3,488
Due from other funds	-	9,671	13,256	9,997	-	-	-	32,924
Total assets	$ 70,984	$ 9,671	$ 13,256	$ 9,997	$ 1,000	$ 38,001	$ -	$ 142,909
Liabilities and Fund Balances (Deficits)								
Liabilities:								
Due to other funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accrued expenses	9,600	-	-	-	-	-	-	9,600
Deferred grant revenue	-	15,241	-	-	-	-	-	15,241
Total liabilities	9,600	15,241	-	-	-	-	-	24,841
Fund Balances (Deficits):								
Nonspendable	3,488	-	-	-	-	-	-	3,488
Restricted	-	-	-	-	-	38,001	-	38,001
Committed	-	-	13,256	9,997	-	-	-	23,253
Assigned	57,896	-	-	-	1,000	-	-	58,896
Unassigned	-	(5,570)	-	-	-	-	-	(5,570)
Total fund balances (deficits)	61,384	(5,570)	13,256	9,997	1,000	38,001	-	118,068
Total liabilities and fund balances (deficits)	$ 70,984	$ 9,671	$ 13,256	$ 9,997	$ 1,000	$ 38,001	$ -	$ 142,909

TOWN OF NORTH STONINGTON, CONNECTICUT

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

	School Lunch Fund	Education Grants	Inland Wetland Mitigation	Open Space	C-PACE	Scholarships Held by School	Housing Rehab Program	**Total**
Revenues:								
Intergovernmental	$ 67,492	$ 322,550	$ -	$ -	$ -	$ -	$ 167,490	$ 557,532
Local	157,437	-	8	9	16,278	2,910	-	176,642
Total revenues	224,929	322,550	8	9	16,278	2,910	167,490	734,174
Expenditures:								
Current:								
General government	-	-	-	-	15,278	-	167,490	182,768
Education	203,091	322,538	-	-	-	5,965	-	531,594
Total expenditures	203,091	322,538	-	-	15,278	5,965	167,490	714,362
Excess of revenues over (under) expenditures	21,838	12	8	9	1,000	(3,055)	-	19,812
Other Financing Sources (Uses):								
Transfers in (out)	-	-	-	3,200	-	-	-	3,200
Total other financing sources (uses)	-	-	-	3,200	-	-	-	3,200
Net change in fund balances (deficits)	21,838	12	8	3,209	1,000	(3,055)	-	23,012
Fund balances (deficits), beginning of year	39,546	(5,582)	13,248	6,788	-	41,056	-	95,056
Fund balances (deficits), end of year	$ 61,384	$ (5,570)	$ 13,256	$ 9,997	$ 1,000	$ 38,001	$ -	$ 118,068

TOWN OF NORTH STONINGTON, CONNECTICUT

FIDUCIARY FUNDS
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2017

	General Government Retirement	Board of Education Retirement	**Total**
Assets			
Investments	$ 2,032,344	$ 1,083,643	$ 3,115,987
Other receivables	98,805	-	98,805
Total assets	$ 2,131,149	$ 1,083,643	$ 3,214,792
Fund Balances			
Fund Balances:			
Held in trust for pension benefits and other purposes	$ 2,131,149	$ 1,083,643	$ 3,214,792
Total fund balances	$ 2,131,149	$ 1,083,643	$ 3,214,792

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, 2017

	General Government Retirement	Board of Education Retirement	Total
Additions:			
Employer contributions	$ 119,695	$ 65,048	$ 184,743
Investment earnings	166,313	27,203	193,516
Total additions	286,008	92,251	378,259
Deductions:			
Distributions	83,521	168,374	251,895
Total deductions	83,521	168,374	251,895
Net increase (decrease)	202,487	(76,123)	126,364
Fund balances, beginning of year	1,928,662	1,159,766	3,088,428
Fund balances, end of year	$ 2,131,149	$ 1,083,643	$ 3,214,792

See accompanying Independent Auditors' Report.

TOWN OF NORTH STONINGTON, CONNECTICUT

FIDUCIARY FUNDS
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2017

	Student Activity Fund	Performance Bonds	**Total**
Assets			
Beginning balance - cash	$ 74,660	$ 136,735	$ 211,395
Additions	256,486	7,539	264,025
Deductions	258,209	14,166	272,375
Ending balance - cash	72,937	130,108	203,045
Total assets	$ 72,937	$ 130,108	$ 203,045
Liabilities			
Beginning balance - due to student groups	$ 74,660	$ -	$ 74,660
Additions	256,486	-	256,486
Deductions	258,209	-	258,209
Ending balance - due to student groups	72,937	-	72,937
Beginning balance - due to developers	-	116,699	116,699
Additions	-	3,002	3,002
Deductions	-	12,846	12,846
Ending balance - due to developers	-	106,855	106,855
Beginning balance - due to other funds	-	20,036	20,036
Additions	-	3,278	3,278
Deductions	-	61	61
Ending balance - due to other funds	-	23,253	23,253
Total liabilities	$ 72,937	$ 130,108	$ 203,045

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, 2017

	Beginning Balance	General Fund Budget	Additional Transfers	Internal Transfers	Revenues	Total Available	Expenditures	Ending Balance
Restricted fund balance								
Town Clerk document restoration	$ 2,846	$ 1,512	$ -	$ -	$ -	$ 4,358	$ -	$ 4,358
LOCIP capital improvements	23,316	1,932	-	-	-	25,248	-	25,248
Total restricted	26,162	3,444	-	-	-	29,606	-	29,606
Committed fund balance								
Revaluation	65,538	30,000	-	-	-	95,538	-	95,538
Town equipment	10,298	5,000	-	-	-	15,298	-	15,298
Nonrecurring school funds	59,214	15,000	-	-	-	74,214	9,821	64,393
Emergency Services Center	-	415,000	(415,000)	-	-	-	-	-
Town Clerk preservation	12,000	-	-	-	-	12,000	10,969	1,031
Total committed	147,050	465,000	(415,000)	-	-	197,050	20,790	176,260
Total	$ 173,212	$ 468,444	$ (415,000)	$ -	$ -	$ 226,656	$ 20,790	$ 205,866

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, 2017

	Beginning Balance	General Fund Budget	Additional Transfers	Internal Transfers	Revenues	Total Available	Expenditures	Ending Balance
Restricted fund balance								
Water study 1-95 (STEAP)	$ 36,895	$ -	$ -	$ -	$ -	$ 36,895	$ 216	$ 36,679
Sewer study (STEAP)	147,030	-	-	-	-	147,030	2,212	144,818
Village water line (STEAP)	243,243	-	-	-	-	243,243	7,188	236,055
Total restricted	427,168	-	-	-	-	427,168	9,616	417,552
Committed fund balance								
Boombridge	153,241	-	-	-	-	153,241	22,072	131,169
Ambulance Association equipment	15,547	17,500	(15,546)	-	-	17,501	14,994	2,507
Town Hall computer	(612)	13,500	-	-	-	12,888	12,888	-
Selectmen furniture	-	1,500	-	-	-	1,500	186	1,314
Transfer station improvements	179	-	(179)	-	-	-	-	-
Wheeler Library book drop	-	5,000	-	-	-	5,000	5,000	-
Hewitt Dam	17,899	-	-	-	-	17,899	17,899	-
Land acquisition	40,000	10,000	-	-	-	50,000	-	50,000
Town building repair	60,053	30,000	-	-	-	90,053	49,388	40,665
Civil preparedness	2	1,000	(2)	-	-	1,000	-	1,000
Narrow band radio upgrade	116,780	-	-	-	-	116,780	15,485	101,295
Recreation pavilion & fields	386	2,500	(244)	-	-	2,642	400	2,242
Town buildings - abate and demolish	-	60,000	-	-	-	60,000	350	59,650
Farm house	-	10,000	-	-	-	10,000	9,550	450
NSAA ambulance	213,900	-	-	-	-	213,900	-	213,900
Recreation area light	24,390	-	-	-	-	24,390	10,534	13,856
Fire Department training, rescue, scuba gear, hose	-	25,500	7,600	-	-	33,100	33,100	-
Sweeper	-	38,973	-	-	-	38,973	38,973	-
Forestry truck	-	135,000	19,700	-	-	154,700	109	154,591
Bucket truck (used)	10,000	10,000	-	-	-	20,000	9,900	10,100
Total committed	651,765	360,473	11,329	-	-	1,023,567	240,828	782,739
Total	$ 1,078,933	$ 360,473	$ 11,329	$ -	$ -	$ 1,450,735	$ 250,444	$ 1,200,291

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, 2017

	Budgeted Amounts				Variance With Final Budget Positive
	Original	Transfers	Final	Actual	(Negative)
Salaries:					
Central office	$ 636,572	$ 27,194	$ 663,766	$ 656,945	$ 6,821
Administrators	374,652	-	374,652	374,652	-
Teachers	5,877,939	(29,260)	5,848,679	5,851,122	(2,443)
Guidance	120,705	(1,326)	119,379	119,379	-
Secretarial	163,956	(4,587)	159,369	160,561	(1,192)
Teacher assistants	322,856	-	322,856	287,979	34,877
Library/media	128,851	-	128,851	128,851	-
Custodial/grounds	423,735	(18,196)	405,539	399,986	5,553
Central office	161,991	(5,698)	156,293	158,219	(1,926)
Contracted services	69,000	-	69,000	59,589	9,411
Text books	6,000	8,426	14,426	14,525	(99)
Library books	14,500	1,174	15,674	15,605	69
Instructional supplies	143,381	72,726	216,107	202,033	14,074
Other expenses, schools	158,193	37,638	195,831	191,799	4,032
Supplies, health	4,000	(1,009)	2,991	2,991	-
Transportation	1,000,706	(79,924)	920,782	920,782	-
Heat	110,350	(29,122)	81,228	84,346	(3,118)
Utilities	210,147	23,256	233,403	196,286	37,117
Custodial supplies	92,900	(33,193)	59,707	59,234	473
Postage	9,208	-	9,208	8,956	252
Maintenance services	335,859	(137,349)	198,510	194,867	3,643
Lease of equipment	41,876	-	41,876	38,230	3,646
Replacement of equipment	3,000	102,183	105,183	105,183	-
Social security	203,391	1,133	204,524	206,740	(2,216)
Employee benefits	1,816,205	(82,352)	1,733,853	1,732,936	917
Employee retirement	76,337	389	76,726	76,726	-
Student activities	108,230	(29,336)	78,894	77,795	1,099
Equipment	5,000	143,464	148,464	138,080	10,384
Tuition	255,528	33,769	289,297	289,162	135
Total expenditures	$ 12,875,068	$ -	$ 12,875,068	$ 12,753,559	$ 121,509

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, 2017

Total tax collections including interest and lien fees for the year ended June 30, 2016	$ 13,826,930
Reimbursement for revenue loss on: Tax Relief for Elderly (CGS 12-129d)	33,633
Base	**$ 13,860,563**

	General	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 times base	$ 31,186,267	$	$	$	$
4 1/2 times base		62,372,534			
3 3/4 times base			51,977,111		
3 1/4 times base				45,046,830	
3 times base					41,581,689
Total debt limitation	31,186,267	62,372,534	51,977,111	45,046,830	41,581,689
Indebtedness:					
Bond anticipation notes payable	5,556,000	1,590,000	-	-	-
Authorized but unissued	804,000	-	-	-	-
Total indebtedness	6,360,000	1,590,000	-	-	-
Debt limitation in excess of outstanding and authorized debt	$ 24,826,267	$ 60,782,534	$ 51,977,111	$ 45,046,830	$ 41,581,689

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

TOWN OF NORTH STONINGTON, CONNECTICUT

REPORT OF THE TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2017

Grand List October 1,	Taxes Receivable July 1, 2016	Lawful Corrections		Suspense Transfers	Adjusted Taxes Receivable	Collections			Taxes Receivable June 30, 2017
		Additions	Deductions			Taxes	Interest and Liens	Total	
2015	$ 13,953,066	$ 114,213	$ 54,233	$ -	$ 14,013,046	$ 13,706,986	$ 51,409	$ 13,758,395	$ 306,060
2014	357,711	166	5,963	(291)	351,623	140,486	34,028	174,514	211,137
2013	202,096	298	4,910	(5,580)	191,904	34,305	14,149	48,454	157,599
2012	41,432	-	342	(13,445)	27,645	11,915	8,632	20,547	15,730
2011	36,503	-	-	(26,140)	10,363	3,824	2,786	6,610	6,539
2010	28,343	-	-	(20,975)	7,368	-	34	34	7,368
2009	25,865	-	-	(21,684)	4,181	-	105	105	4,181
2008	19,144	-	-	(13,358)	5,786	129	592	721	5,657
2007	2,571	-	-	-	2,571	-	-	-	2,571
2006	2,292	-	-	-	2,292	-	-	-	2,292
2005	2,281	-	-	-	2,281	-	-	-	2,281
2004	1,225	-	-	-	1,225	-	-	-	1,225
2003	1,029	-	-	-	1,029	-	-	-	1,029
2002	955	-	-	-	955	-	-	-	955
2001	1,047	-	-	-	1,047	-	-	-	1,047
	$ 14,675,560	$ 114,677	$ 65,448	$ (101,473)	$ 14,623,316	$ 13,897,645	$ 111,735	$ 14,009,380	$ 725,671

See accompanying Independent Auditors' Report.