

Town of Killingworth, Connecticut
ANNUAL REPORT: Fiscal Year 2017-2018



Parmelee Sugar House fundraising and volunteer efforts during 2017-2018 earned sweet rewards with the first batch of syrup in February 2019.

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An Introduction from the Board of Selectmen

Fiscal Year 2017-18 began with no state budget in place. The legislature did not enact a budget until the end of October, leaving the town uncertain about how much funding to expect from the state. In the end, the town received approximately \$400,000 less in state funding than in the previous year—less of a cut than we had feared. Thanks to a decade of fiscal prudence, Killingworth was able to cope with this cut without increasing the mill rate.

As a precaution, a Town Meeting held on October 16, 2017, voted to approve the expenditure of an amount not to exceed \$1 million from the unassigned fund balance to obviate a supplemental tax bill in the event of drastic cuts in state funding. In the end, we did not need to avail ourselves of the additional \$1 million.

Killingworth 350th Anniversary. The town celebrated the 350th anniversary of its naming throughout 2017 with special programs and publications, culminating in a parade and town picnic on September 2. As part of the celebration, we placed American flags on Route 81 utility poles from Killingworth Elementary school to Stevens Road. Frontier Communications contributed the installation of the flag holders, which we now use to fly flags on the patriotic holidays.

America the Beautiful Grant. The town received a small grant through the Connecticut Department of Energy and Environmental Protection to replace four dead or failing maple trees on town property along Route 81 just south of Recycle Way. We planted red maples, which are relatively resistant to road pollution.

Labor Contract. In June, the Board of Selectmen signed a three-year contract with AFSCME, which represents certain Town Hall support staff, for FY18-19, FY19-20, and FY20-21. The contract clarified some minor matters, including job classifications, working hours, pension vesting schedules, and step advancement structure, and includes a 2.5 percent annual increase.

Land Lease to Sprint Nextel. Valley Shore Emergency Communications, Inc., our regional emergency dispatch center, has a communications tower on town land behind KVFC Fire Station 1. The previous lease had expired; we entered into a new, fifteen-year lease, which will renew automatically for a ten-year term in 2031 unless one of the parties terminates it before then.

March power outage. In March 2018, much of the town lost power for about five days. In response, we opened the Emergency Operations Center and the emergency shelter at HK Middle School, and the Selectmen's Office spent a substantial amount of time working with Eversource to expedite power restoration.

Parks. Eric Auer, a lifelong resident of Killingworth who gave much to the town and, in particular, to the town's recreational facilities, passed away in the spring of 2017. In September, we dedicated the Eric W. Auer, Jr. Killingworth Recreational Park.

Personnel. *Michael Bekech* took on the position of assessor after Terry Dinnean resigned. Mike had retired from his position as assessor for the Town of Waterford; he is a former president of the Society of Professional Assessors and the CT Association of Assessing Officers' 1995 Assessor of the Year. He worked two days per week. *Deborah Oehrle* came on board in September as tax clerk and town receptionist. She brought to the position her previous experience as a bank teller and bookkeeper.

Roads

Alders Bridge Road. Drainage was improved and the previously unpaved section was paved in late summer.

County Road and Sugar Hill Road were repaved in October 2017.

Route 81. After spate of accidents in late spring, we took several measures, including removal of trees to improve sightlines.

Chittenden Road between Route 81 and Route 80; Kelseytown Road north of the Clinton town line were discontinued by vote of a Town Meeting on March 12, 2018.

Sustainable energy. In March 2018 we completed installation of a 5-kw photovoltaic system on the Emergency Operations Center. The system was free to the town, as a result of the Solarize Connecticut project. The EOC communications equipment uses a relatively high amount of electricity, and this system will help to offset that cost.

Through its participation in the Clean Energy Communities Program, Killingworth earned \$10,000 in Bright Ideas grants. We used the funds to provide dehumidification in the Emergency Operations Center and to help fund the replacement of the inefficient, 25-year-old furnace in the Killingworth Library.

Trails Grant. Under a Recreational Trails Grant from the Connecticut Department of Energy and Environmental Protection, the town extended the paved pathways at Sheldon Park, creating an ADA-accessible loop and fishing platform. We also added an ADA-accessible exercise equipment court.

War Veterans Monument Garden. On July 8, the town dedicated a new war veterans monument garden in front of Town Hall. The garden centers on a monument to Killingworth veterans of World War I, World War II, the Korean War, and the War in Viet Nam that stood in front of the V.F.W. post on Route 81 until the post was decommissioned. The garden also includes memorial stones to Jack Curry, died in the Viet Nam War in 1965, and Jason Lantieri, who died in Iraq in 2007.

Several donors made the garden possible: the foremost was Lillian Griswold, who funded the garden in honor of her late husband, Raymond Griswold. Jason Lantieri's parents Jon and Kathy Miller, Ethan Drain, and Dave Hudson contributed services to make the garden.

Killingworth remains a special place, where the contributions of hundreds of volunteers count for more than social status, personal wealth, or religious affiliation. The town government continues to support the efforts of these volunteers financially and organizationally. Killingworth owes them a great debt of gratitude.

Board of Selectmen, 2017-18

Catherine Iino

Fred Dudek (until November 2017)

Louis C. Annino, Jr.

Nancy Gorski (November 2017 – present)

Board of Finance Overview: 2017-2018 Financial Results

Board of Finance

Gwenne Celmer, *Chairman*

Marcel T. Couture, *Clerk*

Annie K. Stirna Matthew D. Young, Sr.

Robert T. Rimmer, *Vice Chairman*

S. Derek Phelps

Financial Highlights

Operating Budget Allocation - \$25,000

Operating Expenditures - \$25,335

- \$22,000 *Audit Expense*
- \$1,426 *Secretary*
- \$1,245 *Publication of Annual Budget*
- \$664 *Publication of Annual Report*

KEY ACTIVITIES AND ACCOMPLISHMENTS

Overview of Financial Results

Operating Budget

At the close of FY 17/18, Killingworth's operating expenditures totaled \$21,746,117. Approximately 76% (\$16,581,237) of these expenditures went to Killingworth's portion of the Regional School District 17 budget and approximately 24% (\$5,164,880) went to General Government, Public Safety, Highway, Sanitation and Health, Conservation and Land Use, Recreation, Community Services, Welfare and Debt and Lease Obligations. Most town departments maintained spending levels within defined budget limits. The FY17/18 unassigned general fund balance decreased by \$416,856 or 8.5% to \$4,500,797. The fund balance remained equal to more than 2 ½ months of regular general fund operating expense, meets the recommendation of the Government Finance Officers Association and insulates our town from interruptions in revenue. The revaluation completed in 2016 led to a 4.3% decrease in the grand list or \$693,467,392. The mill rate for FY 17/18 was raised from 25.89 to 27.47, a 6.1% increase.

Long Term Liabilities

The town's total liabilities decreased \$411,253 primarily due to principal payments on general bond obligation. As of June 30, 2018, the town had \$3,000,000 in general obligation bonds outstanding. The bond, dated November 7, 2016, matures over 10 years at an interest rate of 1.59%.

Capital Budget

The Board of Finance, in conjunction with the Board of Selectmen, monitors the Reserve for Capital and Nonrecurring Expenditures Fund and expenditures on approved capital projects. The town's 10-year capital plan is a living document that evolves and is updated and presented for approval at town meeting on an annual basis. Approved capital projects in FY 17/18 included road improvements for Alders Bridge Rd, Lower Roast Meat Hill Rd, Little City Rd, Jackson Rd and Old Durham Rd, Schnoor Rd and Sugar Hill; improvements to the playground at The Eric Auer Memorial Park (formerly known as the Killingworth Recreational Park); turnout gear washer & dryer and hose replacement for the Killingworth Volunteer Fire Company the purchase of tractor and mower equipment with a 3 Pt hitch blower; re-roofing the public works garage; Parmelee facilities improvements and the town hall computer upgrades.

Summary

In FY17/18, Killingworth continued to suffer the effects of flat or reduced state financial aid and declining property values. The Board of Finance in conjunction with the Board of Selectmen continues to refine long-range financial and capital plans in an attempt to keep mill rate growth at a reasonable level, without diminishing current services to the community. The town's auditor, Seward and Monde, rendered an opinion that the financial statements present fairly, in all material respects, the financial position of the governmental activities, each major fund, and aggregate remaining fund information of the Town of Killingworth as of June 30, 2018, and the respective changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America. The audit document is included in the annual report.

Respectfully submitted by: Gwenne Celmer, Chairman

MUNICIPAL BOARDS, DEPARTMENTS AND ORGANIZATIONS

Assessor's Office

2017 – 2018 Operating Expenditures: \$52115.02

2017 – 2018 Allocation: \$53,715.00

Assessor: Michael Bekech Assistant Assessor: Shauna Ham

The Assessor's primary objective is to ensure that the property tax burden is distributed fairly among Killingworth property owners. The Assessor's office provides a comparison of the Net Taxable Grand List with a breakdown of the dollar amount of increase or decrease, as well as the associated percentage change. This involves a comparison of each component of the Grand List: **Real Estate, Personal Property, and Motor Vehicles**. Throughout the year, real estate sales, building and land use permits, surveys, subdivisions, new businesses, and motor vehicle transactions are examined and compiled into a complete list of all taxable and tax-exempt property located in Killingworth as of October 1st of the Grand List year. The assessment office also administers all relief and exemptions, e.g. Veterans, additional veterans, Blind, Disabled, State and local Elderly Homeowners Tax Relief, and Volunteer Ambulance and Firefighter abatements. The October 1, 2016 Grand List was a Revaluation year.

The data presented compares the Grand List of October 1, 2017 to the Grand List of October 1, 2016 and shows the fluctuations in the taxable Grand List across each component of the tax base.

Year To Year Grand List Comparison

2017 Grand List	Real Property	Personal Property	Motor Vehicles	Totals
Gross Taxable	\$624,464,660	\$13,413,305	\$59,798,370	\$697,676,335
Exemptions	\$1,468,500	\$773,010	\$156,200	\$2,397,710
Net Taxable	\$622,996,160	\$12,640,295	\$59,642,170	\$695,278,625
2016 Grand List	Real Property	Personal Property	Motor Vehicles	Totals
Gross Taxable	\$623,237,780	\$15,238,432	\$56,927,780	\$695,403,992
Exemptions	\$1,547,000	\$333,540	\$56,060	\$1,936,600
Net Taxable	\$621,690,780	\$14,904,892	\$56,871,720	\$693,467,392
Change Summary	Real Property	Personal Property	Motor Vehicles	Totals
Gross Taxable	\$1,226,880	\$(1,825,127)	\$2,870,590	\$2,272,343
Gross % Change	0.20%	-11.98%	5.04%	0.33%
Net Change to GL	\$1,305,380	\$(2,264,597)	\$2,770,450	\$1,811,233
Net Percent Change	0.21%	-15.19%	4.87%	0.26%

*This report compares the Oct 2017 GL to the Oct 1, 2016 GL.
Respectfully submitted by: Michael A Bekech, Assessor*

Board of Elections

- September 12, 2017 - Republican Primary for Judge of Probate-131 voters 9.6%
- November 7, 2017 - Municipal Election -2234 voters at polls 2 voters registered - Election Day Voter Registration-48.5% voter turnout.
- May 8, 2018 - Regional School Budget Referendum- 738 voters/ taxpayers 15.9%
- The Middlesex County of Registrar of Voters held 5 meetings.
- High School Voter Registration was held at the High School April 11, 2018.
- 10 new voters registered/pre- registered: 3 Republicans, 1 Democrats and 3 Unaffiliated.
- As of June 30, 2018 there were 4556 registered active voters---1195 D-1364 R- 1947 U-50 other.

Respectfully submitted by: Mary Solera- Democratic Registrar Lauren K. Blaha- Republican Registrar

Building Department

The Building department has issued a few more construction permits for the building of new homes this past year, than in the previous year. The remodeling of existing homes continues to be a steady resource for our office, as well as generators and supplemental heating system appliances.

The Solarize program has been substantially completed, with the final leg of the program to have a small system (array) installed on the Emergency Operation Center. We continue to see solar applications coming into the office, indications of the growing interest in energy conservation.

We continue to integrate our permit closures and certificate of approvals with the Assessor's office, to help in our ongoing property assessments.

<u>Category</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
Residential- Est. Val.	\$3,155,893	\$3,983,478	\$5,658,638	\$4,863,020	\$2,904,355	\$5,809,417
Commercial	\$0.00	\$27,500	\$62,445	\$39,000	\$92,000	\$325,380
Renovations	\$2,158,804	\$1,075,593	\$1,883,760	\$2,034,720	\$2,202,000	\$ 2,149,022
TOTALS	\$5,314,698	\$5,086,571	\$7,604,843	\$6,936,740	\$5,198,355	\$8,283,819.70
Revenues: Permit Fees	\$82,017	\$78,712	\$97,380	\$99,284	\$87,419	\$ 137,549
Certificates of Occupancy & Certificates of Completion	30	30	49	36	39	92
Building Permits Issued:	378	286	395	473	429	470
New Dwellings	10	11	8	4*	5*	10*
Commercial Projects	0	2	7	6	3	6
Renovations/Additions	133	67	79	125	120	123
Barns/Sheds	18	14	17	12	17	15
Garages	4	1	2	6	4	6
Electrical	85	71	69	95	94	116
Plumbing	22	22	40	61	59	68
Mechanicals	83	80	92	90	93	89
Pools	7	6	6	12	11	9
Wood Stoves	10	9	10	4	1	1
Solar	3	1	59	44	11	13
Demolition Permits	3	2	6	6	5	7

*Replacement mobile homes no longer included

Respectfully submitted by: Jerry Russ, Building Official

Conservation Commission

Killingworth Conservation Commission Members

Susan Dean (Chair), RSD 17 Board of Education member, Parmelee Farm liaison
Joan Gay (Vice-Chair), Liaison to Nine Town Transit System, Editor for KCC created materials
Stephanie Warren (Secretary), Liaison to LCVRPC (Lower Connecticut Valley Regional Planning Commission), education projects for KCC
Marilyn Campbell-Liaison to Killingworth Land Conservation Trust
Jim Fullmer-CT Trails/Hiking activities, Astronomy (resident observatory)
Brandy Richards-Liaison to Killingworth Elementary School, Girl Scouts, Grants
Lew Scranton-Liaison to Historical Society

Town of Killingworth Operating Budget Allocation

\$500

There were no other sources of revenue for the Killingworth Conservation Commission.

Operating Expenditures for FY 2017-2018

- Membership fees and dues (CACIWC, CFPA) \$135
- Conservation Conferences (CACIWC) \$110
- Educational Outreach (Library Presentations, Town Clean-up Day materials, KCC Brochure) \$210

Key Activities and Accomplishments

- Monitored website information for the KCC link under Boards and Commissions on the Town of Killingworth website.
- Utilized the *Killingworth Krier* and the Killingworth Library to disseminate conservation information for town residents.
- Worked with the Killingworth Elementary School, the K.E.S. Parent Teacher Organization, the Board of Education, and the Boy Scouts and Girl Scouts on conservation issues.
- Displayed Conservation Projects in the Killingworth Library (under the leadership of Stephanie Warren). The library serves as another center for conservation related information for residents. This includes pamphlets from conservation groups, posters, displays on invasive insects and plants. Also exhibited are positive environmental practices to be followed involving trash disposal to avoid endangering wildlife.
- Created an exhibition table at Parmelee Farm as part of the town's 350th celebration September 2, 2017. A special KCC brochure was created for this event. Other items included: Eagle Scout report on the K.E.S. Cougar Cub Trail, a report on Killingworth's special trees, library education projects, a Gypsy Moth prevention report, and general conservation information.

-
- Participated in the Annual Killingworth Elementary School Beautification Day on April 30th. Activities included weeding, pruning, mulching, and planting of flowers on school grounds. A school recycling program was directed by Brandy Richards.
 - Completed Eagle Scout project to provide a kiosk at the head of the Killingworth Elementary School Cougar Cub Trail. Doug Brown planned and completed this project. A ceremony was held November 25, 2017 at the trail kiosk to honor Doug.
 - Supported Killingworth Girl Scout group's project for Killingworth Clean-up Day. The annual event occurred on May 5, 2017. Additional community members participated. A special thanks to Sherry Cumpstone who was a key advisor and helper. The KCC donated banners and posters to publicize the event. At Transfer Way detailed clean-up maps, printed materials, and souvenir painted stones were distributed to residents by the Girl Scouts. On Saturday (April 28th) projects and materials were part of the Chatfield Hollow Farm event to advertise the town clean-up day for the following Saturday.
 - Maintained updated lists of Killingworth's Conservation Easements and the Open Space designated properties. Assistance came from the Town Assessor and the Killingworth Land Conservation Trust.
 - Continued support for the 9 Town Transit for buses on Route 81. A special thank you to Joan Gay who has worked extensively on this project. She is the Killingworth representative on the Transit System Committee. She, along with state legislators, received the grant for this project. (Note- the 9TT buses began service in August 2018.)

The KCC would like to acknowledge the help First Selectwoman Cathy Iino has provided:

- keeping the KCC aware of conservation issues and activities.
- advising the KCC of specific issues such as invasive species (Gypsy Moth), etc.
- supporting KCC in recycling projects in Killingworth schools.

A special thank you to Joan Gay and Brandy Richards for their years of service of this commission. They will be greatly missed. If you are interested in joining our commission, please contact Cathy Iino, First Selectwoman, at the Town Hall.

The KCC meetings are held at 7:00 pm on the second Thursday of each month at the Town Office Building. The agenda for each month is posted in the Town Clerk's office. Minutes are available on the Conservation Commission link of the Town Website (www.townofkillingworth.com) under Boards and Commissions.

Respectfully submitted by: Susan Dean, Chair

Emergency Management

Donald McDougall, *Director of Emergency Management*

Tage Carlson, *Deputy Director of Emergency Management and Communication Manager*

Tim Withington, *Deputy Director of Emergency Management*

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation

\$4750.00.

Operating Expenditures

Total operating expenditures for FY 2017-2018: \$2845.29. The \$2845.29 was used to fund the operating expense for the Emergency Operation Center and the only outside expense was \$50.00 dues for the Valley Shore Emergency Management Association.

KEY ACTIVITIES AND ACCOMPLISHMENTS

This has been a relatively quiet year for Killingworth Emergency Management except for the March snowstorm when the whole town lost power for up to 5 days in some cases. In response to this the HKMS was opened up as a regional shelter. Maned by the American Red Cross and the Valley Shore Emergency Management Community Emergency Response Team along with EM personal.

The shelter was opened for 3 days were residents could come in and get food, water take a shower and most importantly charge their electronic devices. 125 residents were served during those 3 days along with 4 that stayed overnight.

Respectfully submitted by: Donald McDougall EMD

Fire Marshal

Fire Marshal: James R. McDonald

Deputy Fire Marshal: Jeff Hesper
(Clinton Fire Marshal)

Deputy Fire Marshal: Clifford Weed

The Fire Marshal's responsibility is to enforce the Connecticut State Fire Code as well as investigate all fires that may occur in town. The Fire Code requires inspection of all civic and commercial buildings in town including schools, daycare centers and residential buildings of more than two families. The Fire Marshal works with the Building Official and is required to sign off on all commercial building permits and Certificates of Occupancy.

The Fire Marshal is also tasked with submitting monthly NFIRS (National Fire Incident Reporting System) reports to the State Fire Marshal. This information goes into a state and national database for research and analysis of fire and EMS incidents.

Fiscal Year 2017 – 2018 Activity:

Blasting Permits Issued	5
Blasting Site Inspections	6
Witnessed Blasting Shots	7
County Meetings, CFMA, IAAI	3
Fire Code Consultation	3
Fire Code Inspections	21
Fire Prevention Poster Activities	6
Fire Prevention Presentations	10
Fire/Rescue Reports	386
Fire Safety Systems Tests	3
Fireworks Permits/Show	0
Follow-up Inspections	5
Investigative Reports	7
Liquor License Applications	3
Office Hours	74
Other Permits/Certifications Issued	1
Plans Review	3
Public Service calls	5
Training Attended Hours	72

Submitted by James R. McDonald, Fire Marshal

Health Department

Paul Hutcheon, MPH, RS, Director of Health

FINANCIAL HIGHLIGHTS

Operating Budget Allocation	\$57,718.00
Other Revenues:	
<i>Permits, licenses and fees</i>	\$13,475.00
Operating Expenditures	\$56,514.02

KEY ACTIVITIES AND ACCOMPLISHMENTS

- Conducted soil testing, reviewed plans and inspected septic system installations.
- Performed routine inspections at food service establishments, day care centers, public pools and salons to ensure compliance with CT Public Health Code requirements.
- Reviewed laboratory reports on public and private wells to confirm compliance with State standards. Provided treatment guidance for owners when State standards were exceeded.
- Investigated public health complaints (e.g. substandard housing, accumulation of trash and debris, water pollution, mosquito breeding etc.) and ordered correction when necessary.
- Issued press releases on a variety of topics including: availability of free radon test kits; urging residents to get their flu shot and what to do if you get the flu; West Nile Virus and the start of the CT Department of Public Health (DPH) mosquito testing program; testing your well for uranium; availability of a smoking cessation program offered by the CT DPH; how to dispose of unwanted medications; and Lyme disease prevention.
- Distributed all 50 of the free radon test kits provided by the CT DPH. Provided guidance to property owners when action levels were exceeded.
- Assisted the Public Health Agency with an informational display at the Farmer's Market on testing private wells for uranium and radon.
- Notified all food service establishments regarding the adoption of the FDA Food Code and some of the changes to expect.
- Collaborated with the CT River Area Health District and Middlesex Hospital for a grant to offer a countywide Putting on Airs (POA) Asthma program.
- Accepted ticks for submittal to the CT Agricultural Station for testing of the bacterium that causes Lyme disease. Advised residents of the results. Provided prevention guidance.
- Completed training to become a Certified FDA Food Inspector. The new FDA Food Code becomes effective in CT by January 1, 2019.
- Worked closely with the Killingworth Public Health Agency to ensure public health needs were met.

- Collaborated with a regional coalition of state and local partners to ensure that the community is prepared in the event of a public health emergency.
- Investigated reports of communicable disease associated with food or water to ensure no risk to the public.

HEALTH DEPARTMENT ANNUAL REPORT FY 17-18: PERMITS AND INSPECTIONS

Category	12/13	13/14	14/15	15/16	16/17	17/18
Soil Testing (# lots)	9	35	33	31	25	22
New Septic System Permits	4	6	9	4	5	8
Septic Repairs	37	20	9	24	23	19
Subdivision/Lot Line Review	0	2	1	17	1	0
Well Permits	6	12	11	8	13	19
Complaints	4	1	10	3	4	4
Permits to discharge	360	91	371	397	230	269
19-13-B100a Reviews	32	36	43	47	59	52
Temp. Food Permits	9	10	43	41	33	36
Temp. Food Inspections	4	7	35	38	22	23
Food Establishment Inspections	34	13	40	53	54	58
Salon Inspections	*	*	*	*	7	4

* Data not available

Helping Hands of Killingworth

Co-Directors: Mercedes Ricciuti, Joanne Callinan, Karen Gagliardi, Jan O’Sullivan

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$1,000 was budgeted for Helping Hands and the Friendly Fund combined. Helping Hands did not spend any of that allocation.

Other Revenues

Contributions for FY 2017-2018: \$7,755.98

Operating Expenditures

Total operating expenditures for FY 2017-2018: \$6,648.62

(Gift Cards \$4,250; Meat Vouchers 1,532.88; Other Food \$865.74)

KEY ACTIVITIES AND ACCOMPLISHMENTS

Helping Hands of Killingworth is the Town’s volunteer-run food assistance program. The food and gift cards distributed by Helping Hands are collected directly or funded by donations from individuals, churches, civic groups, and school organizations. We helped over 55 individuals, couples, and families this fiscal year. Prior to Thanksgiving and again before Christmas, Helping Hands distributed gift boxes with nonperishable food, bakery items, a voucher for a turkey or a ham, and a grocery gift card. We also worked with the Killingworth Women’s Organization to coordinate wish lists for our clients through the Greg Bousquet Wish Fulfillment Drive. We helped clients throughout the year as needed and held an open house just before Easter.

Respectfully submitted by: Mercedes Ricciuti, Joanne Callinan, Karen Gagliardi, Jan O’Sullivan; Co-Directors

Historic Review Committee

Joseph T. Hutchins

Leslie A. Riblet

Alternate: Lucinda H. Hogarty

David D. Meixell

Lewis W. Scranton

Chair: Elizabeth Doyle Disbrow

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: 0

Other revenues: N/A

Operating Expenditures: N/A

KEY ACTIVITIES AND ACCOMPLISHMENTS

The Historic Review Committee is charged with encouraging the preservation of architecturally and historically significant buildings and structures in Killingworth. To this end, the committee reviews all requests to the town for issuance of a permit to demolish a building or structure and advises the Building Official on the issuance of those permits under Killingworth's Demolition Delay Ordinance.

- In February of 2018, the Committee considered one application for demolition of a house at 24 Birch Mill Road. The committee found the house under review beyond salvage and agreed not to oppose a permit for demolition.

Respectfully submitted by: Elizabeth Doyle Disbrow, Chair

Inland Wetlands and Watercourses Commission

Chairman - Terry Doyle

Vice-Chairman - Glen Johnson

Secretary/Treasurer - Dave Adametz
(resigned)

FINANCIAL HIGHLIGHTS

FY 2017-2018: \$1400

Other revenues : None

Operating Expenditure: \$1129

KEY ACTIVITIES AND ACCOMPLISHMENTS

During the period of July 2017 to June 2018 the IWWC carried out the following activities:

- Did 68 application reviews
- Reviewed 7 new applications for permits
- Carried out 4 site walks
- Approved 5 permits two of which were for as of right activities
- Had extensive discussions with the town engineers and others regarding a drainage issue on Roast Meat Hill Road which has resulted in a plan to fix the issue satisfactory to all the parties involved.

Members: Carol Reimers, Glen Johnson, Ernest Pizzuto, Jr., Christopher C. Plum

Past Members: David L. Adametz, Matthew Richards

Respectfully submitted by: Terrence Doyle , Chairman IWWC

Killingworth 350th Anniversary Commemoration Committee

Members:

Michelle Adametz
Linda Dudek – Secretary
Andrea Freibauer
Thomas Lentz
Michael Parahaus
Leslie Riblet – Treasurer
Charles Smith – Vice President

Fie Budzinsky
George DuPree, Jr.
Lucinda Hogarty – President
Carl Nord
Franco Piscitelli
Lewis Scranton
Greg Wind

Members were appointed by the Board of Selectmen

Purpose: To plan and coordinate a comprehensive commemoration of the 350th anniversary of the establishment of Killingworth. This will be accomplished by coordinating the efforts of our many local organizations. These planned events began during December 2016 and continued through 2017.

Method of Contact: Killingworth350@gmail.com

Use of Available Funds: Fund usage for fiscal years 16/17 and 17/18 is summarized as follows:

Total funds available from Town Budget for Fiscal Years 16/17 and 17/18 = \$10,000.00.

Total expenses incurred during both
fiscal years = \$23,787.29

Total funds available from private contributions = \$22,746.00

Total funds needed (both years) from
Town Budget = \$1,041.29

The majority of activities and expenses occurred during calendar year 2017 and The Committee was dissolved at the end of commemorative events in 2017. The Committee would like to thank the very generous individuals and organizations that made this celebration possible.

Respectfully submitted by: Les Riblet, Treasurer

Killingworth Volunteer Fire Department

The Killingworth Volunteer Fire Company (KVFC) responded to a total of 386 incidents from July 1, 2017 through June 30, 2018, a decrease of 3 calls over the previous fiscal year. Regrettably there was a single loss of life due to fire on January 25, 2018 at a structure fire on Bridlepath Trail. In addition to this major incident, the KVFC also responded to one other structure fire in town which caused significant damage to a single family home. LifeStar helicopter was summoned to town twice during the year, both for injuries sustained from high elevation falls. Response statistics for the year are as follows:

Fire Calls (including Motor Vehicle Accidents): 170
Rescue Calls / Medical emergencies: 216

During the year, we operated on budget of \$122,250. Percentages of monies spent are as follows:

General operating expenses (training, heating, utilities)	30%
Building maintenance expenses	6%
Equipment maintenance expenses (apparatus & firefighting equipment)	27%
Firefighter physicals	10%
Turnout gear / alert pagers	13%
Rescue squad & engineers' supplies	4%
Radios / Communications	4%
Miscellaneous expenses (waterhole maintenance, appreciation dinner)	6%
Total	100%

Other significant events of the past year include:

- The KVFC placed into service 32 new self-contained breathing apparatus (SCBAs) together with a new breathing air compressor & cascade system. This project replaced equipment that originally went into service in 2004.
- The new KVFC Training Facility was substantially completed and is regularly being used for KVFC Training sessions.
- Considerable time & effort was put forth by our Truck Committee to work with the manufacturer of our new Engine 5 which was delivered in November 2018. Numerous trips were made to the manufacturer's facility by the Committee to inspect progress and ensure compliance to the KVFC's specification.
- KVFC members assisted the Fire Marshal in delivering fire prevention and safety education to students at the Killingworth Elementary School and Haddam Killingworth Middle School.

The Killingworth Board of Fire Commissioners, officers and firefighters of the Killingworth Volunteer Fire Company thank our town officials and the community for their continued support during this past year.

We remain always at your emergency call.

Fire Chief

Richard A. Bauer

Deputy Fire Chief

Donnie Venuti, III

Board of Fire Commissioners

Richard Darin, Chairman

Todd Hajek

Jen Liptak

Active and Life Membership List (Bold indicates past KVFC Fire Chief)

Jeremy Adametz	Chris Gemmell	Chip Morgan
Rick Albrecht	Gregg Golembeski	Chris Moran
Richard Bauer	Cliff Goodale	Damon Munz
Eric Bergman	Kevin Gorman	Todd Nelson
Bruce Bowman	Rafelina Graham	Dan O'Brien
Erin Bowman	Todd Hajek	Anthony Pascucelli
Michael Carri	Wilson Harris	George Roelofsen, Jr.
Alan Chapman	David Hudson	Paul Schilling
Ben Chasse	Paul Jacobs	Bill Shipman
Pete Cumpstone	Graig Judge	Tom Shipman
Rick Darin	Blake Knockwood	Gary Stone
Mark Deluca	Ralph Knockwood	Donald Venuti, III
Ray Desjardins, Jr	Andy Kuczma	Brian Walsh
Ray Desjardins, Sr	Don Lagasse	David Walton
Ethan Drain	Jim McDonald	Michael Walton
Robert Drew	Arnie Moore, Jr.	Cliff Weed
Fred Dudek, Jr.	Arnie Moore, III	Bill Wright

Municipal Agent for the Elderly

Mercedes Ricciuti
Municipal Agent 860 663 1765 ext 217

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$10,100

Expenditures: \$8776

KEY ACTIVITIES AND ACCOMPLISHMENTS

- State Fuel Assistance for low-income and disabled residents
- State Renter’s Rebate for low-income Seniors and disabled residents
- Referrals to services and benefit programs for all residents

Respectfully submitted by: Mercedes Ricciuti

Municipal Animal Control

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$20,000

Other revenues

Licenses	\$7,137
Redemptions	\$180
Animal Population Control	\$2,404

Expenditures

Animal Control Officer	\$17,763
State of Connecticut	\$6,132
ACO & Shelter Expenses	\$3,077
Veterinarian Expenses	\$1,049
License & postage	\$250
Training	\$163
Total Expenses	\$28,434

KEY ACTIVITIES AND ACCOMPLISHMENTS

The Killingworth Animal Control Officer is responsible for handling all concerns regarding domestic animals as well as providing information, referrals and intervention for concerns regarding wild animals.

The initial licensing delinquent list totaled over several hundred delinquencies. After following up with each person on the list, we were able to update the town’s records, collect required fees, and ultimately reduce the list to six delinquencies.

The following activity occurred during the 17-18 Fiscal Year:

Licenses Issued	1,056
Complaints Investigated	315
Animal Bites	9
Infractions Issued (State Statute Violations)	7
Impoundments	18
Placed as pets	2
Euthanized	2
DOA	0

Respectfully submitted by: Marian Smith, Animal Control Officer

Municipal Historian

The Connecticut General Statutes state that towns may appoint a Municipal Historian. However, they do not define the duties of a municipal historian, so it is up to the individual historian and town to determine what he or she does.

The Municipal Historian responded to questions from individuals and organizations about town history, ancestors who lived in Killingworth, veterans, dates of houses, gravestones, etc. If the question can’t be answered, the municipal historian guides persons to appropriate sources such as books, web sites, genealogies, vital records, land records, and cemetery records. The municipal historian does not do genealogical research or title searches for individuals.

The Municipal Historian, Killingworth Historical Society, and volunteers perform work on the Town-owned cemeteries, including cleaning gravestones, resetting gravestones, and cutting brush. The town provides for mowing of the cemeteries. Large trees in the Union District cemetery are being removed by the town as funds permit. Some of these trees have fallen in the past damaging many gravestones.

The Killingworth Historical Society, located in the Parmelee house at the Parmelee Farm, owns a large collection of artifacts, books, documents, and photographs pertaining to the history of the Town. Exhibits were set up at the Parmelee house for viewing by the public on days during the summer. Exhibits in 2018 were on Connecticut and Killingworth Sports History. Donations to the Historical Society’s collections are welcomed.

The Municipal Historian was a member of the 350th Anniversary Celebration Committee. The 350th anniversary of the founding of Killingworth was celebrated in several events in 2017. For the 350th celebration, the Municipal Historian wrote *Timeline of the History of Killingworth Connecticut 1600-2017*, second edition, which is available at the Town Hall and Historical Society.

Respectfully submitted by: Thomas L. Lentz, Municipal Historian

Parmelee Farm

This year additional projects were accomplished at Parmelee Farm thanks to the hard work of some dedicated volunteers and some local contractors. These projects continue to add to the usability of the property. The Parmelee Farm Committee uses its Master Plan, developed in 2010, as its guide for the continued improvements to the property. As the committee works to develop the property, additional modifications and additions will be added as opportunities and needs present themselves.

- This year much time and effort went into hosting of the town's 350th anniversary town picnic that took place Labor Day weekend Sept 2, 2017 at Parmelee. It was the largest event held at the Farm so far.
- Installation and running power to an electrical panel in the concert and picnic area was completed as well as adding more safety lighting to the pavilion. This was done by a local contractor which totaled \$3,300.
- Stone barn improvements included upgrades and additions to safety lighting and the video security system.
- The front Community Garden continues to welcome gardeners in its ninth year. A section of fence was in need of repair and was completed by volunteers. The "Shared Harvest Garden" is in its fourth year. It's made up of a dedicated group of volunteers who planted and harvested fresh vegetables in the rear community garden and make them available free to the community during the summer months.
- Fields, grounds and buildings have been maintained and much gratitude is extended to the volunteers and Parmelee Farm Committee members who have donated their time. New additional volunteers have joined our mowing and maintenance crew. The purchase of a additional lawn mower is expected in the coming year.
- The largest project completed at the Farm this year was the extensive repair, stabilization and exterior enhancement of the old Pine Orchard schoolhouse on the grounds of the Farm. The schoolhouse is one of the original one room schoolhouses built in Killingworth. It was moved in sections to the Farm in 2010 and is now finished.
- The completion was accomplished by a combination of a small group of volunteers and a handful of paid local contractors. The work was completed in a number of steps included the installation of granite facing on the foundation by a contractor which added additional support for the building. The repair and installation of new interior support beams was finished. The removal and replacement of all the old windows and doors was finished. All the old exterior siding and trim, that contained lead paint, was removed and properly disposed of by a special contractor. All new low maintenance siding and trim was installed by a contractor and volunteers. A new wide plank native pine floor was installed by volunteers. A new wooden access ramp and door was installed by volunteers at the rear of the building.
- Large stone steps, obtained from the rear of town hall, were also installed at the front of the building. Final touchup painting on the trim and ramp was also completed. The cost to complete this extensive work was \$28,200. The rebuilding of a front stone wall and final grading and planting will be completed this coming year. The plan is to use the building for small workshops, art & photography displays, special programs, small gatherings and etc.

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- This year trail work & maintenance continued. There now is seven plus miles of well-marked trails for hiking. Many thanks to Bruce Dodson and the trails committee for their continued work on the trail network. New signage and dog waste stations were also added. Maps are available at the kiosk near the parking lot.
 - Planning and fundraising were started for a new project that will be built in the upcoming fiscal year. This new project is a Parmelee Farm community Sugar House which will be staffed by volunteers, teaching visitors how Maple syrup is made. We anticipate this to be a very popular community involved activity at the Farm.
 - A variety of small projects and repairs to mowers and small power tools were accomplished by our volunteers.
 - We wish to thank all the community volunteers who spent many hours working at the Farm. They have enabled Parmelee Farm to be improved at a much faster pace than anticipated.
 - To date, the farm has been host to many events, including Christmas at the Farm and the Annual Tree Lighting, Shared Harvest Garden, Explore Wildlife Series, Stone Wall Workshop, Maple Syrup Demonstration, Eagle Scout projects, Girl Scout events, Dog Days adoption event, KWO Halloween Happenings, Birds of Prey demonstrations, Pumpkin Carving Parties, Lions Easter Egg Hunts, HKMS Community Days, free Summer concert series, and a nature fair. The opportunities for community gatherings, education and recreation are endless, including weddings, a Town Picnic revival, farmer and artisan markets, Historical Society events, etc.
 - During this fiscal year there was a combination of thirty-five different public and private events hosted at the Farm. We encourage all of our community to enjoy this beautiful place, hopefully for generations to come.

Submitted by The Parmelee Farm Steering Committee: Tim Gannon (Chairman), Peg Scofield (Vice-Chairwoman), Bruce Dodson Scott Hawkins, Linda Dudek, Chris Cronin, Terry Doyle, Guy Vecchitto

Planning and Zoning Commission

Members: Thomas Lentz, Chairman; David Gross, Vice Chairman, Thomas Hogarty, Secretary; Geoffrey Cook; Paul McGuinness; Brice McLaughlin. Alternate Members: Joan Gay, Alec Martin, Robert Drew.

Staff: Cathie S. Jefferson, Zoning Enforcement Officer, and Judith R. Brown, Recording Secretary.

Operating Budget - \$12,350.00; Expenditures - \$2,442.29

Activities during the year:

No.	Name	Use	Action
331	Amanda Brackett	Amend Zoning Map	Approved
332	Town of Killingworth	Directory Sign	Approved
333	Running Brook Farm	Extension of #331	Approved
334	M&M Realty Holdings	Apartments	Approved
335	Town of Killingworth	Farmer's Market	Approved
336	Comcast Cable	Modification to #308	Approved
337	M&M Realty Holdings	Affordable Housing	Approved
338	Town of Killingworth	Parmelee Sugar Shack	Approved w/ condition
340	Pattaconk Farm 18 LLC	Lot Line Revision	Approved

The Commission's activities during the year consisted of the review of applications for subdivisions, resubdivisions and special exceptions. Action was taken on those listed above.

Action was taken against violations of the Town's Zoning Regulations.

The Commission will continue to serve the best interests of the residents of Killingworth by the equitable implementation and enforcement of its Regulations. The Commission will continue to review and revise its Regulations in order to better meet the goals of the Town Plan of Conservation and Development. Revision of the Town Plan is required every ten years and the

Commission is progressing on its work to review and revise the Town Plan due in 2018.

This has been another active and productive year for the Planning & Zoning Commission and I would like to express my appreciation to all the members of the Commission for the cooperation and dedication they have shown throughout the year. On behalf of the Commission, I thank Cathie Jefferson for her effective work as Zoning Enforcement Officer and Judy Brown for her cooperation and efficiency she has shown as Clerk of the Commission. The Commission also acknowledges the contributions of the Town Clerk, Commission Counsel, Town Engineer and Code Official.

Respectfully submitted by: Thomas L. Lentz, Chairman

Public Health Agency

Health Director Paul Hutcheon actively participates with other local health directors for coverage, education, community services and cooperative health surveys and endeavors. He also provides a written report of his monthly activities to the board for review.

Health Director on-site office hours are Tuesday, Wednesday and Thursday (7 hours/day), (8:30-10 in office remainder of day may be on site inspections) He is accessible via email and phone for urgent problems.

The PHA board continues to maintain a membership of varied health profession professionals and representation from regional school system and Killingworth municipality.

The agency focuses on the following areas of the ten essential Department of Public Health services:

Monitor health status

- ◆ Food safety-articles in Patch, and Krier.
- ◆ Temporary food events- all event chairs contacted re need for event license and inspection on date of event and chairs provided with all current regulations and information on safe handling
- ◆ Availability of radon testing kits for homeowners free of charge and discussion of what to do if results have elevated levels
- ◆ Per diem use of a part-time food inspector to facilitate timely restaurant and food establishment inspections
- ◆ Maintained pump out schedules and mailed reminders to home owners

Diagnosis and investigate health problems

- ◆ Reportables- review of and investigation of incidents and education of individuals
- ◆ Health trends- review of reportables with an eye for trends or significant new issues
- ◆ Health issues (mold, oil leakage, ground water leakage and possible private well contamination) resolved- inspection, evaluation and appropriate remediation
- ◆ Evaluated unacceptable coliform levels in town buildings and follow-up resolve
- ◆ Investigated unacceptable levels of nitrate, radon and uranium in well water and resolve follow-up
- ◆ Investigated concern of LED lights in workplace
- ◆ Investigated concern of herbicide used in roadside spraying

Inform and educate

- ◆ Bp screens- ensured frequent screens at senior center meetings
- ◆ Flu vaccinations- prepared listing of all vaccination sessions local for residents
- ◆ Suggested topics for Health Director to address in public information venues (Patch/Krier/website, etc.)- addressing elevated levels of Radon, food safety at summer events, food safety after major storms with power outages (both commercial and private), uranium/radon/arsenic testing, Lyme disease and tickborne at Farmers' market on radon testing
- ◆ Emergency preparedness brochures-made brochures available at libraries and town hall

Mobilize community partners

- ◆ Discussed PODS for mass dispensing, reviewed information for current relevance
- ◆ Supported Killingworth Clean-up day
- ◆ Discuss Asthma and coordination with regional asthma grant
- ◆ Partner with Farmers' market committee

Develop policy and plans

- ◆ Fee schedules/structure- reviewed current fees and structure of the fee schedule to bring on-line with surrounding health districts
- ◆ Attended sessions and reviewed State of Connecticut Health Department proposed plan to reorganize health districts
- ◆ Reviewed Mass dispensing plan
- ◆ Prepared PHA report for Department of Public Health inspection
- ◆ Negotiated to retain part time Food Inspector

Enforce laws/regulations

- ◆ Environmental permits- assured that all permits complied within public health code and consistent with any that fell under DEP regulation
- ◆ Pump out reminders- assured that pump out file consistently maintained and reminders to homeowners sent on schedule.
- ◆ Issues of subsurface sewage handling and environmental safety

Evaluation/effectiveness/access and quality

- ◆ Reviewed VNA report of programs and services to assess benefit to town
- ◆ Preparation for new FDA food handlers codes and inspections

Respectfully submitted by: Natalie Ortolini-Drew, Chair of Public Health Agency

Public Works

Walter Adametz, Road Foreman; Mark Albrecht, Crew Leader/Operator; Greg Alfiero, Driver/Operator; Wayne Linsley, Mechanic/Operator

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation

- *Highway* \$983,968
- *Transfer Station* \$246,956
- *Total* \$1,203,924

Operating Expenditures

Total Operating Expenditures FY- 17/18 were \$1,163,612

The Department was able to stay within the operating budgets with the exception of the snow budget which exceeds the budget by \$75,614.

- Snow budget actual \$ 312,536

An active winter with 24 snow events, including 2 large snowstorms in March: Storm Elsa, which dumped 15” of snow, downed trees, blocked roads, and knocked out power for days, and Storm Ferris, 7 days later, with another 10”-12” of snow.

Capital Expenditures

The department’s capital expenditure for equipment and buildings for FY 17/18 was \$109,955.

- Re-Roof Public Works Garage \$35,640
- John Deere Tractor, Mower and Blower \$74,315

Capital Expenditures for Roads \$1,013,000.

KEY ACTIVITIES AND ACCOMPLISHMENTS

We were able to continue with our tree canopy program throughout the town as well as maintaining our long-term road program, which included the final phase of Alders Bridge Road drainage and paving. We also paved Sugar Hill Rd., Little City Rd., Jackson Rd., Old Durham Rd., and County Rd.

Respectfully submitted by: Walter Adametz, Road Foreman

Tax Collector

Tax Collector’s Office: Michele Nuhn, CCMC, Tax Collector | Debbie Oehrle, Tax Clerk

Town of Killingworth Operating Budget Allocation \$89,686.00

Operating Expenditures:

Salaries	\$ 69,025.33
Supplies	\$ 910.77
Meetings and dues	\$ 776.03
DMV fees	\$ 250.00
Printing, software, technology	\$ 8,450.96
Total expenditures	\$ 79,413.09

KEY ACTIVITIES AND ACCOMPLISHMENTS

The Tax Collector's Office is responsible for the following:

- Bills for and collects all taxes assessed in the town. The taxes cover the town budget and Killingworth's share of the Region 17 school budget.
- This year the office mailed 2,841 real estate bills, 329 personal property bills, 7,040 Motor vehicle bills, and 1,160 supplemental motor vehicle bills, for a total of 11,370 bills.
- Publishes legal notices for collection periods as required by state statute.
- Processes all payments made online, in person, and by mail.
- Provides up to date, accurate information to escrow companies, title searchers, and residents.
- Processes Certificates of Correction, pro-rates, and added bills from the Assessor's Office.
- Prepares and processes tax refund forms as applicable.
- Files tax liens in the Town Clerk's Office and UCC liens with the State of Connecticut as needed.
- Provides information to the CT DMV for delinquent put-on and take-off of motor vehicle records.
- Maintains an accurate audit trail of all collections.
- Attends educational seminars and training classes offered by the Middlesex County Tax Collector's Association, The Connecticut Tax Collector's Association, and the Connecticut Conference of Municipalities throughout the year.
- Michele Nuhn, CCMC, Tax Collector served as Treasurer for the Middlesex County Tax Collector's Association.

The total amount collected for current taxes, back taxes, interest, liens and fees for the 2017-2018 fiscal year was \$19,157,443.77.

Collection rate for the 2017-2018 fiscal year was 99.5974 %.

Annual Report for Active Accounts

YEAR	BEGINNING BALANCE 7/01/17	LAWFUL INCREASES	LAWFUL DECREASES	SUSPENSED	TAXES PAID	INTEREST PAID	LIENS/ FEES PAID	REFUND OF OVER- PAYMENTS	RECEIVABLE BALANCE AS OF 6/30/18
2002	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2003	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2004	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2005	1,440.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,440.22
2006	615.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	615.66
2007	609.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	609.84
2008	600.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	600.71
2009	609.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	609.84
2010	661.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	661.24
2011	270.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	270.54
2012	271.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	271.02
2013	260.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	260.82
2014	34,482.73	0.00	909.04	24,671.94	8,615.85	3,070.20	72.00	0.00	285.90
2015	102,212.50	311.41	2,174.59	0.00	76,081.48	16,296.77	338.00	536.54	24,804.38
2016	19,030,116.73	19,590.60	63,727.96	0.00	18,996,512.60	48,802.20	1,997.99	105,889.42	95,356.19

Annual Report for Suspensed Accounts

YEAR	BEGINNING BALANCE OF SUSPENSE ACCOUNTS 7/01/17	LAWFUL INCREASES	LAWFUL DECREASES	ADDED TO SUSPENSE	TAXES PAID	INTEREST PAID	LIENS/ FEES PAID	REFUND OF OVER- PAYMENTS	ENDING BALANCE OF SUSPENSE ACCOUNTS AS OF 6/30/18
2002	5,085.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,085.05
2003	6,099.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,099.71
2004	7,316.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,316.70
2005	27,203.59	0.00	0.0	0.00	0.00	0.00	0.00	0.00	27,203.59
2006	7,271.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,271.94
2007	7,512.38	0.00	0.00	0.00	31.19	49.12	0.00	0.00	7,481.19
2008	5,954.42	0.00	0.00	0.00	81.90	121.62	0.00	0.00	5,872.52
2009	10,174.14	0.00	0.00	0.00	77.28	100.85	0.00	0.00	10,096.86
2010	19,207.13	0.00	0.00	0.00	273.01	316.19	0.00	0.00	18,934.12
2011	26,342.87	0.00	179.90	0.00	440.99	2,407.08	0.00	0.00	25,721.98
2012	23,217.32	0.00	0.00	0.00	1,333.51	989.35	0.00	0.00	21,883.81
2013	23,646.97	0.00	0.00	0.00	471.19	262.12	0.00	0.00	23,175.78
2014	0.00	0.00	0.00	24,671.94	56.39	25.38	0.00	0.00	24,615.55

Respectfully submitted by: Michele Nuhn, CCMC, Tax Collector

Town Clerk/Special Town Meetings

Town Clerk: Dawn Rees Mooney, CCTC, MCTC Assistant Town Clerk: Michele O’Toole, CCTC, MCTC
 Assistant Town Clerk: Ellen Nixon

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation:

General Government	<u>Allocation</u>	<u>Expenditures*</u>
Town Clerk Salary	63,775.00	63,775.00
Assistant A – Salary	51,375.00	51,213.39
Assistant B – Salary	15,580.00	12,425.65
Town Clerk		
Recording/Indexing	20,600.00	18,481.05
Mapping/Microfilming	500.00	457.03
Conference/school/mile	2,400.00	1,524.74
Supplies	1,300.00	1,257.53
Record Preservation	2,400.00	2,400.00
Codification/Ordinances	3,600.00	0.00
Total Town Clerk	30,800.00	23,390.35
Total General Government	161,530.00	150,804.39

Other revenues

Grants: The Town Clerk applied for and received a \$4,000 Historic Preservation Grant to purchase and install additional shelving units to complete our upper vault reorganization project. These additional shelving units maximize vault's storage capacity, provide space to further the town's record management efforts and meet the record storage needs of the Town's departments and agencies well into the future.

Operating Expenditures

*See above

KEY ACTIVITIES AND ACCOMPLISHMENTS

Land Records: During the 2017-2018 fiscal year, 1189 documents were recorded, indexed and scanned into the Killingworth land records. In addition, eight survey maps and 44 property registrations were also filed with this office. Additionally, the Town Clerk's Office processed 142 CT State Real Estate Conveyance Tax Returns (OP-236's) totaling \$290,451.36 in revenue for the State.

Technology :

- The Town Clerk's Office continued to partner with Value Payment Systems (VPS) to accept credit card/debit card/e-check payments for all transactions with a minimal user fee.
- A land records search terminal is available to the public in the Town Clerk's Office. Land records are also available 24 hours a day, seven days a week through the Town of Killingworth's website allowing the public to conduct on-line land record searches.
- The Town Clerk's Office staff continues to manage records, including minutes of boards and commissions, property transfer reports and town budgets, with General Code's Laserfiche document imaging system for easy search and access.
- The Town Clerk also maintains "The Code" for the Town of Killingworth (available through the town website or in paper copy) which includes the Town Charter, Ordinances and Special Acts, Inland Wetlands and Watercourses Regulations, Road Regulations, Subdivision Regulations and Zoning Regulations. The Town Clerk updates the Code to reflect changes and current laws.
- The Town Clerk's Office staff utilizes the State of CT's new on-line Election Management System for reporting of all election records and results (in conjunction with the ROV's).
- Town Clerk, Dawn Rees Mooney, also serves as the on-site administrator for the town's website www.townofkillingworth.com.

Dog Licensing:

- State law requires that all dogs six months and older and all kennels be licensed in the Town Clerk's Office. Reminders are sent to all registered owners to renew the registration annually. Licensing may be completed by mail, in person or on-line with the dog license mailed the next business day.
- This office issued 1056 dog licenses, 17 kennel licenses, two guide dog licenses and one replacement tag for the 2017-2018 license year.

-
- For the second year, reminders were emailed to those residents who indicated a preference for an electronic reminder, saving the town both paper and postage.
 - During June and in conjunction with Killingworth's 350th Anniversary celebration, the Town Clerk's Office sponsored a top dog contest to increase licensing awareness and encourage registration.

Official Town Meeting Schedule: The Town Clerk's Office maintains the official meeting schedule for all Town of Killingworth boards and commissions, as well as multiple regional agencies, in accordance with FOIA requirements. All agendas and minutes submitted to the office posted on the Town's website as well as on the official calendar in the Town Clerk's Office with paper copies filed in the vault as prescribed by state statutes.

Voters: Residents may register to vote, change party affiliation and update name and address in the office of the Town Clerk on a daily basis or in the office of the Registrars of Voters on a weekly basis.

Elections

- During the 2016-2017 fiscal year, the Town of Killingworth held a Referendum for the Regional School District's proposed high school renovations, a Regional School Budget Referendum and a Municipal Election.
- The Town Clerk's Office participated in Connecticut's Municipal Campaign Finance Filing Pilot Program. This program allowed campaign financing forms to be filed directly with the State of Connecticut's Elections Enforcement Commission establishing the SEEC as the central repository for all campaign finance forms and eliminating the need for the Town Clerk's Office to serve as intermediary. During this Pilot Program, the Town Clerk's Office provided voluntary assistance to any candidate who requested assistance in electronically filing their forms.

Vital Statistics: Unlike in larger CT cities, the Killingworth Town Clerk served as the Registrar of Vital Statistics, issuing marriage licenses, burial and cremation permits and certified copies of birth, marriage and death certificates. Acting in this capacity, this office indexed and preserved all vital records in volumes for that purpose and in the format prescribed by the State Department of Health Services.

Policies and Procedures Manual: The Town Clerk developed and implemented a comprehensive "Policy & Procedure Manual" for operations in the Town Clerk's Office. Town Clerk Dawn Rees Mooney ensures all office business is conducted in accordance with said manual.

Additional Duties: The Town Clerk's Office continued to issue hunting, fishing, trapping licenses and guidebooks for the State of Connecticut DEEP, managed Notary Public Applications/Filing/ Certifications, issued Trade Name Certificates, recorded liquor permits, oversaw Killingworth's Justices of the Peace and managed all Freedom of Information Act requests.

Personnel: Town Clerk Dawn Rees Mooney and Assistant Town Clerk Michele O'Toole maintain their Master Connecticut Town Clerk (MCTC) designations from the Connecticut Town Clerks Association by attending on-going training classes. Additionally, Town Clerk Dawn Rees Mooney continues to serve as Secretary and as a member of the Executive Board of the Connecticut Town Clerks Association, and part-time Assistant Town Clerk Ellen Nixon continues to share her valuable banking and previous town clerk experience.

Special Town Meetings

Special Town Meeting, October 16, 2017

RESOLVED: That the Town approve the expenditure of an amount not to exceed \$1 million to mitigate any supplemental tax levy the selectmen may be forced to enact if the state funding to the town is drastically reduced from previous levels, with funding to be transferred from the unassigned fund balance.

Special Town Meeting, November 13, 2017

RESOLVED: That the Town authorize the closeout of the following Capital Accounts as of June 30, 2017:

Assessor Revaluation	\$6,697
Town Hall Campus EOC FF&E	\$13,587
Parker Hill Road Drainage	\$27,312
Burr Hill Widening & Drainage	\$10,000
N. Parker Hill Road – Reclaim Sections & Pave	\$9,025
Bethke Road – Reclaim & Pave	\$132,000
Stevens Road – Reclaim & Pave	\$106,000
Chittenden Road – Pave Road from Route 81 to Green Hill Road	\$5,533

These balances revert to the Capital Assigned Fund Balance.

RESOLVED: That the Town authorize the overexpenditure of the following capital project as of June 30, 2017:

Transfer Station -- Facilities Upgrade	\$13,850
--	----------

to be funded by the Capital Assigned Fund Balance.

RESOLVED: That the Town fund, from the underexpended lines, overexpenditures in FY 2016-17 in excess of \$20,000 for the following line items:

Town Engineer	\$39,331
Miscellaneous Grants	\$34,939

RESOLVED: That the Town confirm the Selectmen’s appointment of William Raymond Burley (U), James Joseph Duffield (U), and Brian James Blair (R) as Killingworth representatives to the Haddam-Killingworth Recreation Authority, for a term to commence upon confirmation and to continue until June 30, 2018.

Special Town Meeting, March 12, 2018

RESOLVED: That the Town approve the Board of Selectmen’s discontinuation of:

- the portion of the highway known as Chittenden Road, located in the Town of Killingworth, County of Middlesex, and State of Connecticut, that is bounded NORTHEASTERLY by Route 80 and SOUTHWESTERLY by Route 81, as more particularly described in a resolution of the Board of Selectmen dated January 22, 2018, a copy of which is on file in the office of the Town Clerk.
- the portion of the highway known as Kelseytown Road, located in the Town of Killingworth, County of Middlesex and State of Connecticut, that is approximately 740 feet in length and bounded SOUTHERLY by the Clinton town line, as more particularly described in a resolution of

the Board of Selectmen dated January 22, 2018, a copy of which is on file in the office of the Town Clerk.

RESOLVED: That the Town approve and accept the Annual Report of the Board of Finance for Fiscal Year 2016-2017, a copy of which is on file in the office of the Town Clerk.

Annual Town Budget Meeting and Special Town Meeting, May 14, 2018

RESOLVED: That the Town adopt the Budget recommendation of the Board of Finance of an Operating Budget for the fiscal year July 1, 2018 – June 30, 2019 in the amount of \$5,221,526.

RESOLVED: That the Town adopt the Budget recommendation of the Board of Finance of a Capital Budget for the fiscal year July 1, 2018 – June 30, 2019 in the amount of \$1,727,227.

RESOLVED: That the Town approve a Multi-Year Capital Improvement Plan for FY 2019 – FY 2028.

RESOLVED: That the Town authorize the expenditure of a sum not to exceed \$12,000, to be taken from the assigned fund balance of the capital reserves, for the construction and outfitting of a sugar house at Parmelee Farm.

Respectfully submitted by: Dawn Rees Mooney, CCTC, MCTC, Killingworth Town Clerk

Zoning Board of Appeals

Members: Bruce Dodson, Chairman, Charles Martens, Secretary, Brian Young, Cheryl Fine, Matthew Young. Alternates: Cindy Adametz, Benjamin Charney, John Himmelman.

Staff: Judith Brown continued to provide efficient administration and assistance as Clerk.

Operating Budget: \$500.00. Expenditures were \$280.00.

Activities during the year:

Four applications were received – two variances (both granted), one Appeal of ZEO Decision (upheld) and one Location Approval for Used Car Dealer’s & Repairer’s License (granted).

The Zoning Board of Appeals serves two functions:

(1) Deciding appeals of a decision of the Zoning Enforcement Officer to consider if Zoning Regulations were applied and interpreted correctly.

(2) Deciding if a variance of Zoning Regulations should be granted. A variance or exception to Zoning Regulations is considered only when a hardship exists as defined by Connecticut State Law. This requires careful application of the law to the facts – a judicial function. A hardship exists only in a unique situation affecting real estate, which Zoning Regulations fail to address.

By State Law:

- The hardship must be a unique situation which is different from all other properties.
- The hardship must be in terms of the property – financial, medical or other personal difficulties of the applicant cannot be considered.
- Variances are granted to real estate and are attached permanently through land records. The identity or character of the owner or applicant is not relevant.
- Variances must be consistent with the overall objectives of Zoning Regulations and the Town Plan.
- The situation leading to the application for variance may not have been created by the owner or occupant.

The Killingworth ZBA has no jurisdiction over Subdivision Regulations.

Respectfully submitted by: Bruce E. Dodson, Chairman

SUPPORTED NON-MUNICIPAL ORGANIZATIONS

Connecticut Conference of Municipalities (CCM)

CCM Board of Directors:

Neil O’Leary, Mayor of Waterbury, was CCM’s 2018 President. Mayor O’Leary joined the Waterbury Police Department in 1980 and rose through the ranks, becoming Chief of Police in 2004. Chief O’Leary served in that role until his retirement in 2009.

Following his retirement, he was recruited by the town of Wolcott, Connecticut to serve as Police Chief to help rebuild the management structure and modernize the department. In 2011, O’Leary stepped down from this role to successfully run for Mayor of the City of Waterbury, taking office in December 2011.

John A. Elsesser, Town Manager of Coventry, CCM 1st Vice President

Michale Freda, First Selectman of North Haven, CCM 2nd Vice President

Directors:

Tom Banisch First Selectman of Madison

Luke A. Bronin Mayor of Hartford

Robert M. Congdon First Selectman of Preston

Michael Freda First Selectman of North Haven

Joseph P. Ganim Mayor of Bridgeport

Toni N. Harp Mayor of New Haven

Barbara M. Henry First Selectman of Roxbury

Catherine Iino First Selectwoman of Killingworth

Marcia A. Leclerc Mayor of East Hartford

Curt Leng Mayor of Hamden

W. Kurt Miller First Selectman of Seymour

Rudolph P. Marconi First Selectman of Ridgefield

Leo Paul First Selectman of Litchfield

Scott Shanley General Manager of Manchester

Jayne A. Stevenson First Selectman of Darien

Erin Stewart Mayor of New Britain

Daniel Syme First Selectman of Scotland

Michael C. Tetreau First Selectman of Fairfield

Mark B. Walter Town Administrator of Columbia

Steven R. Werbner Town Manager of Tolland

Past Presidents:

Mark D. Boughton Mayor of Danbury

Matthew B. Galligan Town Manager of South Windsor

Herbert C. Rosenthal Former First Selectman of Newtown

Susan S. Bransfield First Selectwoman of Portland

Honorary Members:

Elizabeth (Betsy) Paterson Former Mayor of Mansfield

Stephen T. Cassano Selectman of Manchester

KEY ACTIVITIES AND ACCOMPLISHMENTS

Public Policy & Advocacy – 2018 saw the continued efforts to promote our recommendations contained in *This Report Is Different* — cost containment, revenue diversification, regionalization, and unfunded mandates. With over 1300 unfunded mandates, CCM has continued to make it a cornerstone of our advocacy to block any new unfunded mandates or to have the State fully fund newly proposed mandates. 2018 was a year that saw many of these bills stall on the floor due to the tenacity and testimony of municipal leaders who reached out to their state legislative delegations. In addition, we created a questionnaire for the 2018 election, so that every resident of Connecticut would know where their elected officials stood on important issues like property taxes and the opioid epidemic.

Government Finance & Research – This is one of the bedrock services of CCM. The staff completed over 700 requests for information from municipal officials on just about every topic related to municipal governance. It is with that expertise that Research wrote info kits, policy reports, and Candidate Bulletins to be a part of our 2018 Election Center.

Communications & Member Relations – Once again, our membership grew to our highest membership level ever with 168 of 169 towns and cities as members. Our Town Liaison program staff visited each of our members on-site to strengthen our partnership.

In 2018, we moved to broaden our reach, partnering with WTNH and the Hartford Courant on the gubernatorial debate, and with The New Haven Independent/WNHH on our new podcast, The Municipal Voice. The latter is a bi-monthly show covering municipal topics, informing and engaging the public with the great work municipal leaders do every day. Laura Francis, First Selectman of Durham, one of the shows first guests, said “it won’t be long before municipal and state officials start tuning in!”

Member Services – CCM’s Annual Convention in 2018 was our best ever, bringing more than 1,000 local and state government leaders and business executives together for educational workshops, collaborative discussions, and networking opportunities at the Foxwoods Resort. We lauded Municipal Excellence and #LoCoolGov Award winners, and we celebrated Sustainable CT certifications and the inaugural class of CCMO graduates. These last two programs are exciting initiatives that saw CCM partnering with higher education partners like Eastern Connecticut State University and Trinity College, respectively. The Municipal Training Workshops are as strong as ever, and as Maureen Nicholson, First Selectman of Pomfret says, “there is something for everyone.”

CCM's Prescription Discount Card Program helped 137 municipalities offer savings to residents who are without or lack adequate prescription coverage. StreetScan completed its Somers project handling smart municipal pavement and asset management services. 2018 saw CCM enter the municipal market with several new services such as FraudHL, which helps towns set up municipal fraud hotlines, and IT in a Box, making it easier than ever for towns to maintain and advance the technological services on both the hardware and software side that are so crucial in today's world.

2018 was a special year for us because we were able to grow as an organization, but the most important aspect of this growth is in what we are able to provide to you, our member municipal leaders: high-level service to help you perform your job better. CCM remains the state's largest, nonpartisan organization of municipal officials, representing towns and cities of all sizes from all corners of the state.

The full 2018 Annual Report of the CCM is available for download in PDF format online at: <https://t.e2ma.net/click/0fzv1/0bkh9s/854jvg>

Respectfully submitted by: Neil O'Leary, Mayor of Waterbury and CCM President and Joe DeLong, CCM Executive Director

Estuary Council of Seniors Club

The Estuary Council of Seniors, Inc. (ECSI) is a non-profit regional senior center located at 220 Main Street in Old Saybrook with café sites also in Killingworth, Lyme/Old Lyme and Old Saybrook. Since 1974, the ECSI's mission has been to promote senior's quality of life, community involvement, and independent living. Last year the ECSI provided over 80,000 nutritious meals including nearly **58,000** home delivered Meals On Wheels, and over **20,000** congregate meals, **366** rides to medical outpatient appointments outside the nine-town Estuary Region.

Also, **1,678** individual received free preventative health screenings, and participated in social and exercise programs too numerous to count. Our **"Choices"** senior counseling position that helps seniors connect with other services available to them in the community as well as navigate the Medicare/Medicaid and Prescription Drug programs has been busier than ever especially at open enrollment time.

In addition to our essential senior service, ECSI is a fun place for mature residents to exercise, dance, play cards, go on trips together, get a massage or facial, hear an interesting lecture, attend an art exhibit, get a haircut, take a painting class, join a book club or writers group, volunteer, shop at the Thrift Shop, use our fitness center, or just sit and enjoy our beautiful view. ECSI has a lovely, large facility that welcomes residents of the Estuary region 50 years old or better. All in all we had over **110,000** visits to our center in the reported timeframe for meals, activities, support and fun.

During the reporting period for the Town of Killingworth, the Estuary served **27** residents a total of **5,250** home delivered meals and an additional **84** residents joined us for **1,991** congregate meals. Our Emergency Medical Outpatient Transportation provided **5** individuals with **28** rides to medical appointments. We had a total of **8,025** visits by a total of **442** people overall to the center from residents of Town of Killingworth

ECSI is funded in part by contributions from the generosity of the nine towns in the Estuary Region, Senior Resources Agency on Aging with Title III funds made available under the Older Americans Act, grants, donations, and fund raising efforts. I would like to thank the Town of Killingworth for your continued support of our programs. For information and schedules of our services and programs, please call 388-1611 weekdays from 8:00 a.m. – 4:00 p.m. and Saturday 9:00 a.m. – 12:00 p.m. or visit our website at www.ecsenior.org.

If you do not already receive our monthly newsletter, please call us and we'll be happy to add you to our mailing list or send it electronically. The newsletter is also downloadable from our website. We are pleased to continue to serve the residents of Town of Killingworth and be an integral part of services for seniors in the Estuary Region.

Respectfully submitted by: Stan Mingione, Executive Director

Haddam Killingworth Recreation Authority

Robyne Brennan, Director of Recreation
Josselyn Salafia, Recreation Supervisor
Recreation Authority Members:
Dan Belanger
Brian Blair
Jim Duffield
Jason Lonergan

Jennifer Mislick, Director of Child Care
Sheila Benoit, Administrative Assistant
Dave Fleig, Chairman
Bill Burley
Mary Alice Hughes

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$78, 394

Other revenues:

Town of Haddam (\$113, 606)
Income from Program Revenues

Operating Expenditures: \$745,000

Salaries, Benefits, Contracted Services, Supplies, Promotion

FACILITY USAGE AND ATTENDANCE (July 1, 2017-June 30, 2018)

Program	Total Participants	Duration
High School Pool		
Drop-in/Lap Swim	1135	28 weeks
Children Swim Lessons (Summer)	n/a	8 weeks
Children Swim Lessons (Fall)	121	20 weeks
Adult Semi-Private Swim Lessons	5	12 weeks
Cougar Aquatic Team	44	26 weeks
Pool Memberships	55 family / 37 ind.	28 weeks
Parent & Tot Swim	36	14 weeks
Pre-School Swim	14	10 weeks

Summer Swim Team (CAT)	39	5 weeks
Lifeguard Training	5	8 days
Aqua Aerobics	50	30 weeks
Senior Mid-Morning Swim	4	16 weeks
Masters Swimming	15	26 weeks
High School Fieldhouse / Auxiliary Gym		
Co-ed Volleyball League	9 Teams	17 weeks
Drop-in Activities	757	33 weeks
Skyhawks Volleyball Camp	19	4 days
Zumba	29	16 weeks
CRPA Hotshot Contest	10	1 day
High School Cafeteria		
Fitness Yoga	108	31 weeks
Zumba	51	40 weeks
Child Care Veteran's Day	25	1 day
Canvas & Cupcakes	12	1 night
High School Classrooms/Media Center		
Crossroads Driving School	96	47 weeks
Babysitting	23	14 days
Young Chefs of HK (Fall, Winter Spring)	80	8 days
Adult and Child CPR	17	4 nights
When I'm in Charge	27	3 nights
High School Auditorium		
Reptiles Rock	48 plus camp	1 day
High School Softball Field		
Corkum's Mini Camp	14	2 days
High School/Central		
Youth Soccer Registration	47	2 days
Old Middle School Classrooms / Courtyard		
Messy Mondays	18	10 weeks
Nature Class	54	6 days
Science Outreach(Preschool)	46	6 days
Guitar	8	12 weeks
Essential Oils 101	7	2 nights
Old Middle School Gym		
Men's 30 & Over Basketball	53	12 weeks
Men's Spring Basketball	16	8 weeks
Men's Fall Basketball	23	10 weeks
Men's Under 30 Basketball	16	9 weeks
Yth. Basketball Registration	46	1 night
Youth Basketball Practices	172	12 weeks
HK Rec / Central Office Field		
Field Hockey Fundamentals	6	6 weeks
New Middle School Library		

Crossroads Driving (Summer)	29	3 weeks
New Middle School Cafeteria		
Fencing	9	16 weeks
Fitness Yoga (Summer)	47	7 weeks
New Middle School Auditorium		
Performing Arts Camp	9	5 days
New Middle School Gym/Fitness Room		
Get Fit	10	39 weeks
Yth. Basketball Registration	151	1 night
Youth Basketball Practices	172	12 weeks
Brazilian Jiu Jitsu (Summer)	13	8 weeks
Brazilian Jiu Jitsu & Wrestling (Fall, winter, spring)	64	24 weeks
Skyhawks Basketball Camp	22	5 days
Skyhawks Volleyball Camp	19	5 days
New Middle School Fields		
Academy Int. Field Hockey Camp	17	5 days
Field Hockey Clinic	5	5 days
UK International Soccer Camp	15	5 days
Youth Soccer Registration	63	2 days
Burr Elementary School		
Gymnastics	33	15 weeks
After School Child Care (Total Enrolled)	42	26 weeks
Before School	13	26 weeks
Child Care In-Service Day (Nov.)	54	1 day
Creative Art	42	20 weeks
Youth Basketball Practices	172	12 weeks
Karate (Summer)	7	8 weeks
Summer Camp	653	7 weeks
Curious Campers	53	4 weeks
Babysitting (summer)	7	1 day
Young Chefs Cooking Camp	15	4 days
Zumba Kids	15	6 weeks
Skyhawks Basketball	24	6 weeks
Burr Elementary School Fields		
Corkum Baseball Camp	13	4 days
Skyhawks Golf Camp	12	3 days
Skyhawks Lacrosse Camp	9	5 days
Skyhawks Mini-Hawk	25	10 days
Skyhawks Flag Football	13	5 days
Skyhawks Multi-Sport Camp	8	5 days
Burr Elementary School Library		
Modeling/Fashion Camp	6	5 days
STEM With Lego Camps (Summer)	4	5 days
Aspiring Young Engineers	15	1 week
Incrediflix Movie Stop Motion Camps	5	1 week

STEM Fundamentals	18	13 weeks
Engineering	73	6 days
Wizard School of Magic	16	2 day
Zumba Kids	15	6 Weeks
Burr Elementary School Art Room		
Crazy Concoctions	7	4 days
Haddam Elementary School		
Karate (Fall, Winter, Spring)	20	28 weeks
Wizard School of Magic	19	2 day
Engineering	41	6 day
Science Outreach	62	6 day
After School Program (Total Enrolled)	43	66 weeks
Youth Basketball Practices	172	12 weeks
Pee Wee Soccer	37	20 weeks
UK Indoor Soccer	14	6 Weeks
Creative Art	29	20 weeks
Computer Ed	15	25 Weeks
CT Boating Course (Fall, Winter, Spring)	47	7 days
Skyhawks Soccer & Tball	11	5 weeks
Zumba Kids	7	6 weeks
Killingworth Elementary School		
Karate (Fall, Winter, Spring)	29	12 weeks
Wizards School of Magic	16	2 day
Science Outreach	51	6 days
Engineering	67	6 days
Creative Art	42	20 weeks
After School Child Care (Total Enrolled)	48	66 weeks
Youth Basketball Practices	172	12 weeks
Gymnastics	39	15 weeks
Computer Ed	30	25 weeks
2nd Grade Basketball	34	6 weeks
Indoor Pickleball	26	14 weeks
UK Indoor Soccer	24	12 weeks
Kids Focus on Fitness	8	6 weeks
Killingworth Recreational Park		
Everson Soccer Clinics	62	5 weeks
Youth Soccer	148	9 weeks
Pee Wee Fall Soccer	46	6 weeks
Sheldon Park		
Skyhawks Teddy Tennis	13	5 weeks
Skyhawks Tennis Camps	26	3 weeks
St. Lawrence Church		
Active Adult Exercise	11	20 weeks
Higganum Green		
Outdoor Summer Concerts	415	4 Nights

Other		
Six Flags Discount Tickets	41	10 weeks
Lake Compounce Discount Tickets	133	10 weeks
CT Science Center Tickets	6	23 weeks
Horseback Riding	46	28 weeks
Dog Obedience	18	18 weeks
SUP Kids Camp	5	8 days
SUP Yoga	11	16 days
SUP Sunset Tour	2	6 days
Ice Fishing	2	1 day
Family Fishing	9	1 day
Saratoga	13	1 day
Boston Pops at Tanglewood	6	1 day
Vermont Fall Foliage	5	1 day
Radio City Christmas Spectacular	2	1 day
NY Botanical Gardens	6	1 day

Respectfully submitted by: Robyne Brennan, Director of Recreation

Killingworth Library Association

Board of Directors (FY2017-18)

Alison Karam - President
 Lucinda Hogarty – Vice President
 Jan O’Sullivan - Treasurer
 Fiona Phelan – Recording Secretary
 Wally Jones – Corresponding Secretary
 Bob Bellonio
 Lise Brule
 Sue Cornell

Eileen Cyrus
 Rob Flaherty, Jr.
 Lou Goldblatt
 Mandy Major
 Jim McDonald
 Dave Meixell
 Roger Nemergut
 Dick Otto

Staff (as of June 30, 2018)

Laurie Prichard – Library Director
 Tammy Eustis – Assistant Library Director
 Gayle Byrne – Children’s Librarian

Janis Leird – Part-time Technical Services /
 Circulation Desk Staff
 Kristina Sanso – Part-time Circulation Desk Staff

In addition to the work of full and part-time staff, volunteers working the circulation desk, backroom, community service, student service, board governance and operational support logged 6,200 hours of service to the library, the equivalent of three full-time employees.

Location: 301 Route 81, Killingworth, CT

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$253,175

Other revenues: Total	\$78,544
Annual Fund Campaign Contributions:	\$17,367
Misc. Gifts & Income:	\$4,979
Fundraising Activities:	\$20,502
<i>(Earth Day, Golf Tournament, Book Sales, Misc. Fundraising)</i>	
Room Rental to Middletown Adult Ed.:	\$14,000
User Fees:	\$4,698
Endowment Income:	\$15,528
Grants:	\$1,470
<i>(does not include Neighborhood Assistance Act funding – see below)</i>	

CT Neighborhood Assistance Act Program*

Neighborhood Assistance Act funding from 2014-17*	\$28,589
NAA funding received in 2017-18*	\$4,750
NAA project expenditures 2015-18	\$(17,680)
Remaining NAA balance	\$15,659

** encumbered for specified energy upgrades, community service enhancements to the building*

Expenditures

Total for FY2017-18:	\$314,231 (unaudited)
Salaries & Payroll Taxes:	\$199,086
Health Insurance:	\$17,944
Insurance (other than health)	\$8,245
Maintenance & Occupancy	\$24,927
Operating Expenses:	\$64,029

KEY ACTIVITIES AND ACCOMPLISHMENTS

A brief, (bulleted list preferred) summary of significant activities and accomplishments during FY 2017-2018, with an emphasis on their value to Killingworth residents.

- Nearly 40,000 books, audio books, videos and music CDs circulated during FY2017-18
- Added new mystery authors and Reading2Connect titles for adults with memory challenges
- Nearly 5,000 children and adults attended library programs, including solar eclipse viewing
- Community meeting room used 224 times by town groups and organizations
- Library cardholders increased use of barcode number on their Killingworth library card to:
 - check out museum passes
 - access subscription databases for free (e.g. Consumer Reports Online, Cypress Résumé Builder, JobNow, NuWav legal documents for business, civil, personal and family use)
 - gain free access to 77 online Mango language courses
 - download eBooks and eAudios from the State’s library database collection
- Children enjoyed the summer reading program “Build a Better World,” as well as ABC Amigos, Readers & Eaters, learning sign language, and using the early literacy computer stations

- Killingworth Library hosted rehearsal sessions for local youth theater arts group (Artful Living)
- KLA partnered with Parmelee Farm to support fundraising efforts to build a sugarhouse for the Killingworth community
- Adult and student use of public computers increased to 6,240 sessions last year, with strong usage of the color copier with scanning and fax functions in the business resource center
- Restructured staff positions; hired new director to bring fresh ideas and a unique blend of administrator, communicator, visionary, team builder and patron supporter to existing staff
- Friends Circle of Library Volunteers grew to 63 members, providing an array of opportunities for Killingworth residents to be involved in library service to the community.

Respectfully submitted by: Alison Knowlton Karam, President, Killingworth Library Association Board of Directors

Killingworth Senior Citizens Club

Officers: Lee Parker, President; Lydia Cox, Vice-president; Carolyn Sheridan, Treasurer; Kate Moran, Membership; Joyce Mason, Acting Secretary

Location: Killingworth Congregational Church

Budget Allocation: \$1,600.00

Other Revenues: \$5.00 annual membership fee

Expenditures:

- \$25.00 monthly rent paid to the Killingworth Congregational Church (8 months)
- VNA stipends: \$75.00 per visit (usually 7 visits)
- Restaurant luncheons (December and June) \$650.00
- Theatre tickets: Harvey at the Kate (\$23.00 per ticket) and Chorus Line at the Ivoryton (\$50.00 per ticket). The club subsidizes the tickets to make them affordable.
- Craft activity: \$40.00
- Supplies (coffee, tea, milk, paper products, stamps, stationary, cards etc.)
- Speaker Honorarium - if required

ACCOMPLISHMENTS AND PURPOSE

The Killingworth Senior Citizens Club is open to all Killingworth seniors aged 55 and over. The club promotes friendships among peers and provides activities for the well-being of seniors. Monthly meetings are held in the fellowship hall of the Killingworth Congregational Church for which the club pays rent of \$25.00 per month. Membership dues are \$5.00 per year.

The club arranges for the VNA to take attendees' blood pressure and answer general health questions. The Senior Citizen Club pays fifty percent of the cost for the nurse's visit; the town pays the other half. The cost to the seniors is \$75.00 per visit.

The club holds business meetings followed by a planned program. Speakers, local and outside talent, and school district offerings provide entertainment and information which keeps the senior citizens informed about their community. Refreshments are always supplied.

A highlight of the club's activities is the Pen Pal Program which was started over twenty years ago. Members meet with third grade students from Killingworth Elementary School throughout the year. It is an enlightening and fun time when the members meet their third grade pen pals and share stories and games together. The project culminates in a shared picnic after the students and seniors place flags on Veterans' graves at Evergreen Cemetery around Memorial Day.

The Killingworth Senior Club plans a pot luck luncheon, and frequently offers the group an opportunity to dine at area restaurants. The club also supplements the cost of seeing musical/theater at the Ivoryton Theatre and the Kate making it possible for seniors to enjoy an afternoon out. Local sites are visited as well (River Quest). None of these activities would be possible without the generous support and donation from the town.

Respectfully Submitted by: Joyce Mason for Carolyn Sheridan, Treasurer

Literacy Volunteers Valley Shore, CT, Inc.

Board

Jon Leiberman (President)	Sharon Colvin (Vice-President)
Paula Chabot (Secretary)	Linda Liptrot
Elaine Clark	Nancy McCormick
Laurie Warshavsky	Pam Moynagh
Nancy Shapiro	Cheri Golia
Ken Gamerman	

Staff Joanne Argersinger, Office Manager Christine Homa, Executive Director

Mailing Address: PO Box 1006 Westbrook CT 06498

Physical Address: 61 Godspeed Drive Lower Level Westbrook, CT 06498

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation	\$450
Other revenues:	
Book sales	\$1,200
Community funds, contributions and grants	\$12,612
Fundraising, net of expenses	\$6,900
Membership	\$3,225
Towns (total)	\$7,250
United Way A/D	\$12,521
Workshop fees/teaching materials	\$575
TOTAL REVENUE	\$44,283

Expenditures:

Salaries and payroll taxes	\$29,201
Accounting	\$2,205
Printing	\$291
Insurance	\$1,918
Tutor materials/student expense	\$2,067
Computer/software/internet	\$2,890
Office expense	\$770
Telephone	\$1,232
Miscellaneous	\$1,848
TOTAL REVENUE	\$44,283

KEY ACTIVITIES AND ACCOMPLISHMENTS

- LVVS tutored more than 160 students, spending 11604 hours of volunteer's time to deliver 6002 hours of instruction.
- Enrolled 38 additional students and matched 30 of them with a tutor.
- Trained 25 new tutors
- 3 of our students became US citizens, 1 has entered an adult education program while 2 have entered post-secondary education. We had 1 student obtain their green card, several gain and/or advance their employment, and 2 passed their driver's exams to receive a license.
- The impact on the community has been to help lower health care costs, fill the employment rolls, contribute to the local economy, lower the number of subscribers to social services and increase the tax paying community.

There is much more work to be done. The 2012 Study of the Program for the International Assessment of Adult Competencies (PIAAC) reported on literacy, numeracy and problem solving in technology rich environments shows;

- Over 400 Killingworth residents perform below a third grade level of literacy
- 275,000 students have dropped out of high school prior to completion in CT and that number increases by 9,000 each year.

The support of the town has been instrumental in changing the lives of those residents for the better. Literacy Volunteers Valley Shore looks forward to another year of partnering for a better Killingworth.

Respectfully submitted by: Joanne Argersinger, Office Manager Christine Homa, Executive Director

Lower Connecticut River Valley Council of Governments (RiverCOG)

Samuel Gold, Executive Director

Paula Fernald, Financial Administrator

145 Dennison Road, Essex, CT 06426. 860-581-8554 * www.rivercog.org

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$8,855

Other revenues

Federal \$1,033,663 - DEMHS & DOT FHWA/FTA

State \$340,724 - DOT, OPM, & SOS

Other Municipalities	\$176,237
Town of Chester	\$ 7,683
Town of Clinton	\$12,402
Town of Cromwell	\$ 12,933
Town of Deep River	\$ 7,811
Town of Durham	\$ 9,310
Town of East Haddam	\$10,268
Town of East Hampton	\$12,300
Town of Essex	\$ 8,925
Town of Haddam	\$ 9,843
Town of Lyme	\$ 6,659
Town of Middlefield	\$ 7,753
City of Middletown	\$30,542
Town of Old Lyme	\$ 9,428
Town of Old Saybrook	\$10,849
Town of Portland	\$10,435
Town of Westbrook	\$ 9,095
Other Program Fees, etc.	\$188,349
Household Hazardous Waste	\$78,914
Town/Agency Services	\$98,563
Interest, Misc.	\$10,872

Expenditures

	\$1,669,361 (Audit to be conducted in September)
Salaries & Benefits	\$879,506
Operating Expenses	\$150,042
Grants/Programs	\$639,813

KEY ACTIVITIES AND ACCOMPLISHMENTS

- Initiated Corridor Studies on Routes 81 & 66
- Acquired the Lower CT River Land Trust nonprofit organization

- Executive Director Sam Gold was named to the Board of Directors for Sustainable CT
- Continued work as the fiduciary for the Division of Emergency Management and Homeland Security Region 2 (which includes Killingworth)
- Provided interim land us staffing throughout the region
- Fought cuts to train and bus transit and helped connect 9 Town Transit and MAT via new bus routes
- Collected 118,172 lbs. of household hazardous waste (up 13% from 2016), continued paper shredding events and partnering with the state on new recycling efforts on plastic wraps and bags
- Helped initiate the Lower CT Valley Bus Operations Study
- Updated our www.knowyourfarmers.org website
- Reviewed 55 inter-municipal zoning regulation referrals through the Regional Planning Committee
- Convened a committee to look at furthering opportunities for shared municipal services

Respectfully submitted by: Samuel Gold, Executive Director

Regional School District 17

BOARD OF EDUCATION MEMBERSHIP

Name	Town	Term
Eileen Blewett	Killingworth	12/01/17 – 12/01/21
Brenda Buzzi	Haddam	12/01/17 – 12/01/21
Eric Couture	Killingworth	12/01/15 – 12/01/19
Joel D’Angelo	Killingworth	12/01/11 – 12/01/19
Gerry Matthews	Haddam	12/01/17 – 12/01/21
Joanne Nesti	Haddam	10/01/15 – 12/01/21
Suzanne Sack	Killingworth	12/01/15 – 12/01/19
Peter Sonski	Haddam	03/01/17 – 12/01/19
Sue Twachtman	Haddam	12/01/11 – 12/01/19
Maura Wallin	Haddam	12/01/15 – 12/01/19
Kathleen Zandi	Killingworth	02/01/17 – 12/01/21

RSD 17 Mission Statement:

The Mission of Regional School District 17 is to engage students in an educational community that challenges them with high standards and builds their capacity for success and their aspiration to improve themselves and their society.

STATISTICAL INFORMATION

BUDGET INFORMATION

The 2017 – 2018 budget appropriation was \$42,026,428. This budget reflected a net increase of (0.38%) over the previous year’s budget of \$41,872,751.

The 2017-2018 budget distribution was as follows:

Salaries	\$21,859,754
Benefits	\$ 8,285,737
Learning Programs	\$ 956,050
Support Services	\$ 250,212
Administration	\$ 448,663
Facilities & Transportation	\$ 6,316,660
Tuition	\$ 1,560,296
Debt Service	\$ 1,966,462
Technology	\$ 382,588

History of gross* budget increases:

2013-14	0.63%
2014-15	2.27%
2015-16	3.60%
2016-17	0.37%
2017-18	0.38%

**Gross includes all operating costs.*

History of net* budget increases:

2013-14	0.00%
2014-15	3.13%
2015-16	3.31%
2016-17	0.67%
2017-18	0.92%

**Net budget increase reflects gross budget minus outside revenue (grants etc.).*

ENROLLMENT

	Haddam	Killingworth	TOTAL
2013-14	1328	949	2277
2014-15	1287	901	2188
2015-16	1248	887	2135
2016-17	1252	864	2116
2017-18	1228	839	2067

PER PUPIL EXPENDITURE

The **net per pupil** expenditure of \$17,241 is determined by the State Department of Education and excludes expenditures related to transportation, debt service and adult education.

REGIONAL SCHOOL DISTRICT 17

What do we offer to our children?

Haddam-Killingworth Middle School

- Program for Gifted and Talented (LEAP) includes all children who attend HES, BES, KES and grade 5 and 6 at HKMS
- Provided classroom level libraries in every elementary classroom and all Language Arts classrooms at HKMS
- 510 students (77%) at HKMS participated in at least one after-school activity and 326 students (49%) participated in multiple after-school activities.
- HKMS hosted Step-Up Camp for 5th grade students before they started school in September to ease their transition to middle school.
- HKMS celebrated Community Week in June 2018 with our annual food truck night and our Role Model breakfasts for 5th and 6th grade students and families.
- HKMS 7th and 8th grade students wrote poems and essays for Memorial Day and the seventh grade winner and 8th grade winner read their work at the Haddam and Killingworth Memorial Day parades.
- HKMS students built robots to compete in the Vex Robotics Competition.
- HKMS raised money or made donations to a variety of local charities, including the Haddam and Killingworth Food Banks, Connecticut Children's Medical Center, and local animal shelters.
- HKMS students, under the leadership of HKMS health teacher, Michele Ouellette, sponsored a Red Cross blood drive and were recognized for one of the highest yielding blood drives in NY, NJ, and CT.
- HKMS was recognized by the state of Connecticut for our social studies program honoring the contributions of veterans to our state and country.

Haddam-Killingworth High School

- 87% of the class of 2018 are attending college with a high acceptance rate overall across all applications submitted (83%)
- Number of and enrollment in college articulated classes continues to rise (27 classes; enrollment of 525)
- Class of 2018 completed more than 19,067 Community Service hours
- 100% of students taking AP French Language & Culture, AP Spanish Language & Culture, and AP United States History scored a 3 or better on their AP test (out of 5)
- HK ranks #4 in the Shoreline for both Math and ELA SAT scores
- Holiday Telethon – raised \$22,500 to benefit the Patsy Kamercia Memorial Scholarship
- State Champions for Boys and Girls Cross Country; 32 athletes received All State Honors
- Shoreline Champions for Boys & Girls Cross Country, Volleyball and Boys Soccer
- Thirty-two students were accepted into the Southern Regional Music Festival, 7 made All State and 1 student went to All New England

- Twenty students had their art accepted into the Shoreline Art Show and two students' work is currently hanging in the State Legislative Office Building. Our students' artwork won numerous awards including 10 Scholastic Art Awards
- HKHS Video/Digital students won 1st place Best Documentary at the STN National Competition in Nashville
- 96% of our students completed the NGSS field test
- HKHS maintains NEASC Accreditation
 - Annual College Fair showcases 125 colleges and institutions
 - Regional School District 17 recognized Julie Wessinger as our District Teacher of the Year

GRADUATING CLASS OF 2018 PROFILE:

Future plans of the students graduating in 2018 were as follows:

Graduates: 163

Four Year Colleges: 75%

Two-Year Colleges/Programs: 10%

Pursuing Technical Training: 3%

Military: 5%

Employment: 5%

Respectfully Submitted by: Howard Thiery, Superintendent

The Connection – Eddy Shelter

Lisa DeMatteis-Lepore, CEO; Beth Connor, Chief Strategy Officer; Professor Gloster Aaron, The Connection, Inc. Board Chair; Professor Stephen Angle, The Connection Fund, Inc. Board Chair.

Eddy Shelter of Middlesex County, 1 LaBella Circle, Middletown, CT 06457; Stacy Hooker, Program Manager; Lee Anne Borkowski, Program Director

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$1,000

Other Revenues:

The following information is for the Eddy Shelter only. A budget for the entire organization is available separately.

Dept. of Housing:	\$202,637
Dept. of Mental Health & Addiction Services:	\$53,0601
United Way of Middlesex County:	\$34,194
City of Middletown:	\$25,000
Contributions:	\$6,976

Other Cities & Towns:

• Town of Portland:	\$2,200
• Town of Westbrook:	\$2,000
• Town of Killingworth:	\$1,000
• Town of Cromwell:	\$1,000
• Town of Essex:	\$750
• Town of Est Haddam:	\$650
• Town of Middlefield:	\$500

Other Grants

• Liberty Bank Foundation:	\$5,000
• Thomas Atkins Memorial Fund:	\$10,000
• Community Foundation of Middlesex County:	\$5,000

Expenditures: \$330,968

The following is for the Eddy Shelter only. Total agency expenditures are available separately

Salaries:	\$195,315
Fringe benefits:	\$54,688
Occupancy (rent, repairs, insurance, utilities, telephone):	\$12,959
Diversion expenses (activities, supplies, rent):	\$17,142
Supplies:	\$5,583
Food:	\$1,856
Training:	\$2,520
Management Fee:	\$40,645

KEY ACTIVITIES & ACCOMPLISHMENTS

Eddy Shelter:

- The shelter served a total of 125 unduplicated clients, including 51 women and 74 men, in FY 2018. Average daily census ranged from 22 - 34 guests per night during the spring, summer and early fall months, and between 34 - 43 during the late fall and winter months. We also served 16 youths ages 18 to 24 in FY 2018. In FY 2018, the Eddy Shelter served 125 unduplicated individuals, including 71 men and 54 women, ages 18 to 80,
- In FY 2018, the Shelter rapidly rehoused 18 individuals, three more than the contracted number of 15 individuals.
- The Shelter received \$132,000 Balance of State Capital Funds award from the Department of Housing, which will allow the Shelter to make long-needed improvements to the facility, including painting all bedrooms and hallways, purchasing new beds, dressers, and blinds for every room, extermination services, and a bedbug vacuum cleaner dedicated to the Shelter.
- Through a partnership with Columbus House Family Shelter and Women and Children's Agency in Meriden, we were awarded a \$50,000 grant from the Connecticut Department of Housing (DOH) and from the Federal Dept. of Housing and Urban Development to begin serving 4 homeless youth in the Eddy Shelter. The Eddy Shelter will provide Shelter and Case Management);

Columbus House will provide rapid rehousing and Women and Children’s Agency will provide a Youth Navigator who will assist with individuals in navigating day to day responsibilities in order to obtain housing.

Respectfully submitted by: Claire Bien, Associate Director of Fund Development The Connection
 900 Chapel Street, Suite 1400 New Haven, CT 06510, 203 691-4751, 203 733-8109 cbien@theconnectioninc.org

Youth and Family Services of Haddam-Killingworth

Board of Directors:

Name	Town
Executive Board	
Joan Reed Wilson, JD	Higganum
Bernard McNulty III, MD	Higganum
Carol Flanagan-Dupuis RN	Higganum
Scott Monroe, PA	Haddam
Members-at-Large	
Holly Barry	Haddam
Louise Hayash	Killingworth
Dana Henry, RN	Higganum
Julie Kelly, HS Rep	Killingworth
Mark Torello, CPA	Higganum
Kerry Emerson	Killingworth
Kristy Marinaro	Haddam
Howard J. Thiery, III, Superintendent	West Hartford
Seth Nuzum, Director of Youth Ministry	Haddam
Nicole Castiglioni	Killingworth

Juvenile Review Board:

Name of Member	Town Represented	Term
TFC Enrico Milardo, Haddam Resident Trooper	Haddam	July '17-June '18
Cristal DePietro, Prevention Coordinator	Higganum	November '17-May '18
Ray Galloway, Community Member	Haddam	July '17-June'18
Deborah Kelly, Board Chair YFS ED	Higganum	July '17-September '17
James Carone, State Department of Children and Families/Juvenile Court Liaison	Middletown Office	July '17-June '18
Matthew Kowalski, Juvenile Probation Officer	Middletown Office	July'17-June'18
TFC Joseph DeAngelo, Haddam Resident Trooper	Killingworth	July'17-June'18
Seth Nuzum, Student Minister, Valley Bible Church	Killingworth	July'17-June'18
Carol Flanagan-Dupuis RN, Retired School Nurse	Higganum	July'17-June'18
Retired Officer Leo Bombanicki	Killingworth	July'17-June'18

Staff: The past fiscal year was a year of change for the organization with the absence of both the Executive and Clinical Directors for a period of several months over the course of the year and the Prevention Coordinator toward the end of the fiscal year. Although the resignations of staff required the hiring of an interim Director, onboarding and training processes to acclimate new staff, work continued as planned. A comparison of the past two years indicates that the total number of families seen by the Clinical Department decreased by 40% but the number of hours worked with families in therapy and/or case management decreased by only 8% suggesting an increase in the complexity of the clients seeking assistance at the agency.

- Executive Director: Deborah Kelly (July '17-October '17); Interim Director Charles Macunas (November '17-January '18); Heather LaCasse (February '18-June '18)
- Clinical Director: Nathan Carpenter LMFT (July '17- January '18) Maryann Grimaldi, Interim Clinical Director (February 18' – April18'); Sean Macauley (April '18- June '18)
- Prevention Coordinator: Cristal DePietro (July '17-May '18)
- Office Manager: Ann O'Mara (July '17-June '18)
- Early Childhood Coordinator: Patrice Coletti (July '17-June '18)

FINANCIAL HIGHLIGHTS:

Event	Amount	Description
Town of Killingworth	\$79,178	Funding to support personnel, operations and programming.
Town of Haddam	\$87,500	Funding to support personnel, operations and programming.
Counseling and Program Fees	\$14,375	This amount reflects an increase in the number of third party insurers the clinical staff interfaces with and fundraising to support the Healthy Community-Healthy Kids (HC-HK) Coalition
State and Local Grant Funding	\$113,602	This category is comprised of two separate pools of funding. Fiscal Year 2017/2018 marked the end of the third year of a 5-year grant from the Department of Mental Health and Addiction Services (DMHAS) to support the Connecticut Strategic Prevention Framework Coalition Initiative and fund programs and strategies that reduce youth risk behavior and increase community awareness of youth risk and the role assets play in preventing harm. This grant was awarded to 12 agencies in the State of Connecticut, as part of the State of Connecticut's to develop community-wide approaches to address youth substance misuse and related behavioral health issues. The Connecticut State Department of Education and Youth Services Association awarded the agency two Youth Service Bureau Enhancement grants in the amount of \$18,000. These funds provide families involved with the resources such as counseling, transportation, tutoring, treatment services, and pro social activities.
Foundation Funding	\$21,385	A United Way Grant in support of the HC-HK Coalition and Early Childhood Programming. <i>There is a chance that this grant will not be re-upped in the coming year.</i>
Local Planning Council Grant Funding	\$5,200	The Local Planning Council of Middlesex County awarded YFSHK a small grant in the amount of \$5,200 for prevention activities to reduce youth substance abuse and to facilitate local health professional training to minimize opioid drug abuse and raise awareness of proper disposal of prescription and other medications.

Fundraising events also occurred throughout 2017-2018 in support of new program initiatives and in support of families unable to pay for services:

- Anniversary Dinner: The organization held a 25th Anniversary Dinner to thank the communities of Haddam and Killingworth for 2.5 decades of support and plant the seed for a 25th anniversary

fundraiser to be facilitated through online fundraising. A small amount of funding was raised through this approach adding just over \$1,000 in agency support.

- Pumpkin Run: – The 24th Annual Pumpkin Run/Walk to benefit Youth and Family Services of Haddam-Killingworth, Inc. raised \$1,444 for the organization bringing over 200 adult and youth runners to the Higganum Green on a stormy October afternoon.
- Giving Tuesday Campaign: Giving Tuesday, an International Day of Giving – November 29, 2017 resulted in \$3,206 for the agency

Consolidated Income Statement (unaudited)

Revenues	
Program	\$ 252,172
Administrative	\$ 69,749
Fundraising	\$ 21,645
Total Revenues	\$ 343,566
Expenses	
Program	\$ 252,172
Administrative	\$ 72,075
Fundraising	\$ 19,100
Total Expenses	\$ 343,347
Net Income	\$219

Revenues	
Town Funding	\$157,625
State Grants	\$114,264
Fundraising	\$18,864
Program Fees	\$18,057
Foundations	\$16,780
Federal Grants	\$9,300
Donations	\$8,676
Total	\$343,566

Expenses	
Personnel	\$213,966
Supplies	\$22,792
Consultants	\$21,367
Office	\$24,276
Conferences	\$14,901
Insurance	\$17,660
Travel	\$7,941
Marketing/Printing	\$12,499
Grants	\$7,945
Total	\$343,347

KEY ACTIVITIES AND ACCOMPLISHMENTS

All activities provided by the YFSHK are available to all residents living in the Towns of Haddam and Killingworth, students enrolled in RSD17 school buildings, their families, and the senior citizens residing within the Towns' borders. Clinical services are provided to all residents of Haddam, Killingworth, Higganum and Haddam Neck and may also be provided to families that live outside of the Town's provided they have insurance.

- Over the past year, programming was provided to youth, members of their families and seniors living in the Towns of Haddam and Killingworth by YFSHK Clinical Director and several Master's level interns from local graduate school programs including Southern Connecticut State University, Central Connecticut State University and the University of St. Joseph. Short and long term clinical/therapeutic counseling services, resource referral, phone consultation, case management hours and ongoing support are in increasing demand on staff and the limited space we have to work with at our office in Higganum and satellite office in Killingworth Town Hall. Approximately 1/3rd of clients were Killingworth residents.
- Social science research documents that effective afterschool programming and clubs create safe and structured environments for youth during after-school hours and a wide range of benefits to youth, families and communities including improved academic and classroom performance, home- school connections and also a reduction in risky behaviors (including drug and alcohol experimentation). "Positive youth development is an intentional, pro-social approach that engages youth within their communities, schools, organizations, peer groups, and families, promoting positive outcomes for young people by providing opportunities, fostering positive relationships, and furnishing the support needed to build on their leadership strengths." (Federal Interagency Working Group on Youth) Over the course of the past year, the Prevention Coordinator worked closely with the staff at HKMS and HKHS to facilitate educational and

supportive programming and worked with the Clinical Director and school support staff to provide therapeutic support for students identified as needing more intensive interventions.

- The Juvenile Review Board (JRB) consists of local professionals, retirees and community members representing youth serving or law enforcement organizations who offer meaningful alternatives to the Criminal Justice System through community-based intervention strategies for first-time offenders. The Board designs alternatives to court-mandated sentencing that: (1) take into consideration the needs of the victim; (2) promote responsible behavior by offenders; (3) make recommendations that will help solve problems that may be at root of delinquent behavior and works closely with Resident State Troopers from both Killingworth and Haddam.
- The Holiday Giving Program worked with families who qualified for services based on income eligibility and/or enrollment and qualification for free and reduced lunch or the Back-to-School backpack program. The organization saw an increase of 12% in the number of families applying for the program over the past two years and a concomitant increase of 22% of children receiving gifts in those families (19 families: 55 children).
- The back-to-school backpack program is designed to provide school supplies to any family unable to afford back-to-school supplies. YFSHK worked closely with the Backpack Program in Killingworth, local elementary, middle and high school staff to identify students in need of this type of support (19 families: 36 children).
- The mission of the *Healthy Communities-Healthy Kids Coalition* is to engage and educate the public and change environmental or global policies to help advance the wellness of the community. In 2018, coalition co-chairs were Linda Kauffman RN Regional School District 17, Michelle Ouellette Physical Education Instructor, HKMS and two student co-chairs, one each from Haddam and Killingworth. Activities included scheduled drug take backs to encourage reduction of drug misuse/abuse and responsible disposal of prescription and OTC medication; community dinners to promote school/home, family connection and conversation; dodgeball tournament to raise awareness of the youth coalition and fundraise to provide youth and community members opportunities to attend leadership training and workshops; Senior Expo to provide opportunities for senior citizens to attend an educational event scheduled at the high school, learn about resources available to them through the Towns of Killingworth and Haddam and give youth and others the opportunity for community service and volunteerism in service to seniors.
- Two youth members of the HC-HK Coalition were invited to present a PowerPoint presentation to a professional group of Prevention Coordinators and their colleagues at a CAPP meeting in the spring of 2018. Developed by two students with their YFSHK Advisor, the students (one each from Killingworth and Haddam) addressed youth engagement issues. The workshop was exceptionally well-received, and they were asked to present an updated version at a 2019 regional forum.

Name of Activity	No. of Participants	Scheduled-Delivered
Drug Take Back	370	Killingworth Pharmacy; Haddam Pharmacy (Spring/Fall)
Community Dinners	175	Killingworth/HKMS (Fall)
Dodgeball Tournament	150	HKHS (Winter)
National Coalition Trainings	8 (including youth)	Maryland (Winter) local community and Federal legislators
School Assemblies	680	HKMS & HKHS (Spring)
Search Institute Survey		HKMS & HKHS (Spring)
Senior Expo	175 attendees 38 vendors	HKHS (Fall)

**TOWN OF KILLINGWORTH, CONNECTICUT
FINANCIAL REPORT
June 30, 2018**

**TOWN OF KILLINGWORTH, CONNECTICUT
FINANCIAL REPORT**

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FINANCIAL REPORT**

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SEWARD AND MONDE

CERTIFIED PUBLIC ACCOUNTANTS
296 STATE STREET
NORTH HAVEN, CONNECTICUT 06473-2165
(203) 248-9341
FAX (203) 248-5813

INDEPENDENT AUDITORS' REPORT

To the Honorable Members of
the Board of Finance
Town of Killingworth, 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 Killingworth, Connecticut (the Town), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; 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 U.S. generally accepted auditing standards 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. Those 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 of the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Town adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (OPEB), effective July 1, 2017. There was no change in net position of the Town in order to recognize the net other postemployment benefits liability required in implementing GASB No. 75. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 4 - 12, the budgetary comparison information on pages 58 - 62, the retirement system schedules on pages 63 - 67 and other postemployment benefits (OPEB) schedule on page 68 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 U.S. generally accepted auditing standards, 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 financial statements as a whole. The combining and individual nonmajor fund financial statements and supplemental schedules are presented for purposes of additional analysis and are not a required part of the 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 also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, supplemental schedules and the schedule of expenditures of state financial assistance 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 U.S. generally accepted auditing standards. In our opinion, the information is 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 November 21, 2018, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Towns' internal control over financial reporting and compliance.

Seward and Monde

North Haven, Connecticut
November 21, 2018

Town of Killingworth, Connecticut

Management's Discussion and Analysis

For the Year Ended June 30, 2018

This discussion and analysis of the Town of Killingworth, Connecticut's (the Town) financial performance is provided by management and provides an overview of the Town's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the Town's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Town's financial performance.

FINANCIAL HIGHLIGHTS

- On the government-wide basis, the total net position increased by \$21,769 or .08%, from \$27,077,311 to 27,099,080. The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$27,099,080. Of this amount, \$5,785,859 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total liabilities decreased \$411,253 primarily due to principal payments on general obligation bond.
- At the close of the current fiscal year, the Town's governmental funds reported a combined fund balance of \$7,225,098 which was a decrease of \$307,737 from the prior year. Of this amount, \$4,500,797 is unassigned and available for spending at the Town's discretion, which is a decrease of \$416,856 from the prior year restated unassigned fund balance.
- The Town's long-term liabilities decreased by \$392,170 during the current fiscal year primarily due to the general obligation bond principal payment of \$415,000.
- The General Fund budget showed an overall under expenditure of \$57,681 between final budgeted and actual expenditures.

Overview of the Financial Statements

The discussion and analysis provided here is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains supplementary information intended to furnish additional details to support the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents financial information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator 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 changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Currently, the Town does not have any business-type activities. The governmental activities of the Town include general government, public safety, highways, sanitation and health, conservation and land use, recreation, community services, welfare and education.

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

Fund Financial Statements

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

Governmental Funds

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

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

The Town maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Reserve for Capital and Nonrecurring Expenditures Fund which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining fund statements on pages 69 - 70.

The Town adopts an annual appropriated budget for its General Fund. The schedule of revenues and other financing sources and the schedule of expenditures and other financing uses have been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15 - 18 of this report

Fiduciary-Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs.

The Town maintains two different types of fiduciary funds. The Pension trust fund is used to report resources held in trust for retirees and beneficiaries covered by the Municipal Employees' Pension Plan and the Volunteer Fire Company Pension Plan. The Agency fund reports resources held by the Town in a custodial capacity for individuals, private organizations and other governments. The fiduciary fund financial statements can be found on pages 19 - 20 of this report

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 - 57 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Town's budgetary compliance as well as its progress in funding its obligation to provide pension and other post-employment benefits (OPEB) to its employees. Required supplementary information can be found on pages 58 - 68 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and other schedules are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and other schedules can be found on pages 69 - 75 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position.

	Statement of Net Position			
	June 30, 2018	Changes During the Year		June 30, 2017
		Dollars	Percent	
Current and other assets	\$ 7,449,870	(\$ 355,524)	-4.6%	\$ 7,805,394
Capital assets	24,313,221	(27,769)	-0.1%	24,340,990
Total assets	<u>31,763,091</u>	<u>(383,293)</u>	<u>-1.2%</u>	<u>32,146,384</u>
Deferred outflows of resources	<u>435,091</u>	<u>247,063</u>	<u>131.4%</u>	<u>188,028</u>
Long-term liabilities	4,598,150	(392,170)	-7.9%	4,990,320
Other Liabilities	133,712	(19,083)	-12.5%	152,795
Total liabilities	<u>4,731,862</u>	<u>(411,253)</u>	<u>-8.0%</u>	<u>5,143,115</u>
Deferred inflows of resources	<u>367,240</u>	<u>238,107</u>	<u>184.4%</u>	<u>129,133</u>
Net investment in capital assets	21,313,221	387,231	1.9%	20,925,990
Unrestricted	5,785,859	(350,315)	-5.7%	6,136,174
Total net position	<u>\$ 27,099,080</u>	<u>\$ 36,916</u>	<u>0.1%</u>	<u>\$ 27,062,164</u>

By far the largest portion of the Town's net position (78.6%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles and infrastructure), less any related outstanding debt that was used to acquire those assets. The Town uses these capital assets to provide a variety of services to citizens. Accordingly, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of \$5,785,859 is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report positive balances in all reported categories of net position. The same held true for the prior fiscal year.

	Statement of Activities			
	2018	Change		2017
		Dollars	Percent	
Revenues:				
Program Revenues:				
Charges for services	\$ 436,054	\$ 54,635	14.32%	\$ 381,419
Operating grants and contributions	2,220,495	(407,801)	-15.52%	2,628,296
Capital grants and contributions	301,951	78,954	35.41%	222,997
General revenues:				
Property taxes	19,149,735	227,875	1.20%	18,921,860
Grants and contributions	73,911	58,721	386.58%	15,190
Interest and investment earnings	35,411	22,083	165.69%	13,328
Other general revenues	33,553	(94,554)	-73.81%	128,107
Total revenues	<u>22,251,110</u>	<u>(60,087)</u>	<u>-0.27%</u>	<u>22,311,197</u>
Expenses:				
Program expenses:				
General government	1,462,467	333,177	29.50%	1,129,290
Public safety	757,773	97,059	14.69%	660,714
Highway	2,162,776	(104,605)	-4.61%	2,267,381
Sanitation and health	272,833	(21,113)	-7.18%	293,946
Conservation and land use	67,270	(1,445)	-2.10%	68,715
Recreation	237,867	51,993	27.97%	185,874
Community Services	597,991	97,053	19.37%	500,938
Welfare	20,449	11,810	136.71%	8,639
Capital outlays	-	(86,137)	-100.00%	86,137
Education	16,581,237	(249,916)	-1.48%	16,831,153
Interest on long-term debt	68,678	(40,457)	-37.07%	109,135
Total program expenses	<u>22,229,341</u>	<u>87,419</u>	<u>0.39%</u>	<u>22,141,922</u>
Increase in net position	<u>\$ 21,769</u>	<u>(\$ 147,506)</u>	<u>-87.14%</u>	<u>\$ 169,275</u>

- Operating grants and contributions decreased \$407,801, due primarily to a decrease in a \$287,466 decrease in education cost share funding from the State.
- Property taxes increased by \$227,875 (1.20%) due to an increase in the mill rate and a higher than anticipated collection rate.
- General government program expense increased by \$333,177 (29.50%) primarily as a result in increased pension and OPEB expense in the currently year.
- Community services increased by \$97,053 (19.37%) due to an increase in tax refunds.
- Capital outlays decreased by \$86,137 (100.00%) as current year outlays not meeting the capitalization threshold were allocated among the appropriate program function.
- Education expenses decreased by \$249,916 (1.48%) due to a reduction in the ADM and a reduced assessment by Regional School District No. 17.
- Interest on long-term debt decreased by \$40,457 (37.07%) due to the overall reduction in debt and the prior year refunding at a lower rate.

Governmental Activities

Table 3 presents the cost of each of the Town’s programs, as well as each program’s net cost (total cost less revenues generated by the activities). Net cost shows the burden that was placed on the Town’s taxpayers by each of the functions.

	Governmental Activities					
	Total Cost of Services			Net Cost of Services		
	2018	2017	Increase (Decrease)	2018	2017	Increase (Decrease)
General government	\$ 1,462,467	\$ 1,129,290	\$ 333,177	\$ 1,077,728	\$ 717,777	\$ 359,951
Public safety	757,773	660,714	97,059	735,192	637,856	97,336
Highway	2,162,776	2,267,381	(104,605)	1,577,268	2,015,729	(438,461)
Sanitation and health	272,833	293,946	(21,113)	250,690	277,412	(26,722)
Conservation and land use	67,270	68,715	(1,445)	67,270	68,715	(1,445)
Recreation	237,867	185,874	51,993	237,867	168,864	69,003
Community services	597,991	500,938	97,053	540,416	384,210	156,206
Welfare	20,449	8,639	11,810	20,449	8,639	11,810
Capital outlays	-	86,137	(86,137)	-	(136,860)	136,860
Education	16,581,237	16,831,153	(249,916)	14,695,283	14,657,733	37,550
Interest on long-term debt	68,678	109,135	(40,457)	68,678	109,135	(40,457)
Totals	<u>\$22,229,341</u>	<u>\$22,141,922</u>	<u>\$ 87,419</u>	<u>\$19,270,841</u>	<u>\$18,909,210</u>	<u>\$ 361,631</u>

Governmental funds

The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a Town’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Killingworth Town Meeting.

As of June 30, 2018, the Town's governmental funds reported combined fund balances of \$7,225,098, a decrease of \$307,737 in comparison with the prior year. Approximately 62.3% of this amount (\$4,500,797) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either restricted, committed or assigned to indicate that it is 1) restricted or committed for particular purposes (\$1,083,157), or 2) assigned for particular purposes (\$1,641,144).

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year unassigned fund balance of the general fund was \$4,500,797. Assigned fund balance represents the amount approved for use in the fiscal year 2019 budget. As a measure of liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and transfers out. Unassigned fund balance and total fund balance represent 20.7% and 23.4%, respectively, of total general fund expenditures and transfers out.

The fund balance of the Town's general fund increased by \$166,037 during the current fiscal year.

The reserve for capital and nonrecurring expenditures fund, a major fund, had a \$484,780 decrease in fund balance during the current fiscal year, while the other governmental funds had an increase of \$11,006. Major projects in the reserve for capital and nonrecurring expenditures fund included \$803,601 in road projects and \$422,000 for a Class A pumper truck.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget

There was no variance between the original budget and the final budget. There were changes to the original budget that reallocated appropriations among departments. Generally, the movement of the appropriations was not significant.

Final budget compared to actual results

Below is a summarized view of the final budget and actual results for the General Fund:

General Fund - Budget Summary

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Property taxes	\$ 18,880,049	\$ 19,163,135	\$ 283,086
Intergovernmental	2,625,075	2,255,526	(369,549)
Licenses, fees and permits	125,000	177,851	52,851
Charges for goods and services	115,000	184,688	69,688
Interest income	10,000	28,777	18,777
Appropriation of prior year fund balance	68,126	68,126	-
Other revenues	100,000	102,828	2,828
Total revenues	<u>21,923,250</u>	<u>21,980,931</u>	<u>57,681</u>
Expenditures			
General government	2,178,393	2,107,556	70,837
Public safety	585,285	582,199	3,086
Highway	956,351	945,440	10,911
Sanitation and health	285,104	272,137	12,967
Conservation and land use	79,809	67,375	12,434
Recreation	150,134	141,552	8,582
Community services	579,245	573,809	5,436
Welfare	10,100	8,776	1,324
Debt and lease obligation	466,036	466,036	-
Education	16,632,793	16,581,237	51,556
Total program expenses	<u>21,923,250</u>	<u>21,746,117</u>	<u>177,133</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 234,814</u>	<u>\$ 234,814</u>

Property tax revenue was \$283,086 higher than budgeted due primarily to higher than anticipated overall tax collections. Intergovernmental revenues were \$369,549 under budget as the State reduced the education cost sharing, elderly homeowners and municipal revenue sharing grants after the Town's budget was approved. Town budgeted for an appropriation of \$68,126 which proved to be unnecessary. Interest and investment income were higher than of budgetary estimates as interest rates being paid on Town's deposits rose.

Most of the Town's departments maintained spending within the budgetary limits. Overall, budgeted expenditures were consistent with actual expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2018, the Town had a net amount of \$24,313,221 invested in a broad range of capital assets, including land, buildings, vehicles and equipment and infrastructure. This represents a net decrease (including additions and deductions) of \$27,769 from the prior year. During the current fiscal year, the Town completed the Alders Bridge Road Drainage project, paving of other Town roads, playgrounds at Sheldon and KRP recreational parks. In addition, a Class A pumper truck was purchased for KVFD. The overall decrease in net capital assets was a result of a slightly higher depreciation expense as compared to asset additions.

	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Land	\$ 3,821,535	\$ 3,821,535
Construction in progress	431,196	-
Land improvements	1,334,636	1,396,990
Buildings and improvements	2,577,976	2,600,512
Equipment and vehicles	929,227	965,486
Infrastructure	<u>15,218,651</u>	<u>15,556,467</u>
Totals	<u>\$ 24,313,221</u>	<u>\$ 24,340,990</u>

The Town's 2018/2019 budget anticipates \$1,727,227 in road projects, as well as improvements to the recreational parks, IT upgrades, and radio and communication equipment for the volunteer fire company.

Long-Term Debt

As of June 30, 2018, the Town had \$3,000,000 in general obligation bonds outstanding, a decrease of \$415,000 from the prior year, as shown in the analysis below.

Town of Killingworth's Outstanding Debt

	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
General obligation bonds	\$ 3,000,000	\$ 3,415,000
Totals	<u>\$ 3,000,000</u>	<u>\$ 3,415,000</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town's elected and appointed officials considered many factors when setting the fiscal year 2018 budget tax rates. Some of those factors include the economy at the state and local levels, the rate of population growth within the Town, and realized and potential increases and/or reductions in state funding, property values, and interest rates. The fiscal year 2019 budget of \$21,978,776 has a decrease of 0.39% on the Town side and a 0.46% increase for Regional School District No. 17. The mill rate was unchanged at 27.47.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and 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 Killingworth, CT, 323 Route 81, Killingworth, CT 06419.

**TOWN OF KILLINGWORTH, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2018**

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 7,307,051
Property taxes and interest receivable, net	142,819
Capital assets not being depreciated:	
Land	3,821,535
Construction in progress	431,196
Capital assets, net of accumulated depreciation:	
Land improvements	1,334,636
Buildings and improvements	2,577,976
Equipment and vehicles	929,227
Infrastructure	15,218,651
Total assets	<u>31,763,091</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges related to pensions	435,091
Total deferred outflows of resources	<u>435,091</u>
LIABILITIES	
Accounts payable and accrued expenses	133,712
Long-term liabilities:	
Due within one year	485,509
Due in more than one year	4,112,641
Total liabilities	<u>4,731,862</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred charges related to pensions	353,863
Deferred charges related to OPEB	13,377
Total deferred outflows of resources	<u>367,240</u>
NET POSITION	
Net investment in capital assets	21,313,221
Unrestricted	5,785,859
Total net position	<u>\$ 27,099,080</u>

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

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

Functions\Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government					
Governmental Activities:					
General government	\$ 1,462,467	\$ 380,739	\$ 4,000	\$ -	(\$ 1,077,728)
Public safety	757,773	11,090	11,491	-	(735,192)
Highway	2,162,776	5,558	277,999	301,951	(1,577,268)
Sanitation and health	272,833	22,143	-	-	(250,690)
Conservation and land use	67,270	-	-	-	(67,270)
Recreation	237,867	-	-	-	(237,867)
Community services	597,991	16,524	41,051	-	(540,416)
Welfare	20,449	-	-	-	(20,449)
Education	16,581,237	-	1,885,954	-	(14,695,283)
Interest	68,678	-	-	-	(68,678)
Total governmental activities	\$ 22,229,341	\$ 436,054	\$ 2,220,495	\$ 301,951	(\$ 19,270,841)
General revenues:					
Property taxes					19,149,735
Grants and contributions not restricted to specific programs					73,911
Unrestricted investment earnings					35,411
Miscellaneous					33,553
Total general revenues and transfers					19,292,610
Change in net position					21,769
Net position - July 1, 2017, as restated					27,077,311
Net position - June 30, 2018					\$ 27,099,080

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

**TOWN OF KILLINGWORTH, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General	Reserve for Capital and Nonrecurring Expenditures Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 5,165,643	\$ 2,028,391	\$ 113,017	\$ 7,307,051
Property tax and interest receivable, net of allowance of \$11,511	142,819	-	-	142,819
Total assets	<u>\$ 5,308,462</u>	<u>\$ 2,028,391</u>	<u>\$ 113,017</u>	<u>\$ 7,449,870</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 116,070	\$ -	\$ -	\$ 116,070
Total liabilities	116,070	-	-	116,070
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	108,702	-	-	108,702
FUND BALANCES				
Restricted	-	-	113,017	113,017
Committed	-	970,140	-	970,140
Assigned	582,893	1,058,251	-	1,641,144
Unassigned	4,500,797	-	-	4,500,797
Total fund balances	5,083,690	2,028,391	113,017	7,225,098
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,308,462</u>	<u>\$ 2,028,391</u>	<u>\$ 113,017</u>	<u>\$ 7,449,870</u>

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

**TOWN OF KILLINGWORTH, CONNECTICUT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2018**

Fund balances - total governmental funds \$ 7,225,098

Amounts reported for governmental activities in the statement of net position are different because:

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

Governmental capital assets	62,066,181
Less accumulated depreciation	(37,752,960)
Net capital assets	<u>24,313,221</u>

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

Property tax and interest receivables greater than 60 days	108,702
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Deferred outflows and inflows of resources resulting from changes in the components of the Town's net pension and OPEB liabilities are reported in the statement of net position	67,851
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

General obligation bonds payable	(3,000,000)
Compensated absences	(156,132)
Net pension obligation	(1,314,766)
Other postemployment benefits	(127,252)
Interest payable on bonds	<u>(17,642)</u>

Net position of governmental activities	<u><u>\$ 27,099,080</u></u>
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The accompanying notes to the financial statements are an integral part of this statement.

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

	General	Reserve for Capital and Nonrecurring Expenditures Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 19,163,135	\$ -	\$ -	\$ 19,163,135
Intergovernmental	2,255,526	301,951	4,000	2,561,477
Licenses, permits and fees	177,851	-	12,476	190,327
Charges for goods and services	184,688	-	16,205	200,893
Interest and investment income	28,777	6,634	-	35,411
Capital surcharge	-	2,376	-	2,376
Miscellaneous	102,828	10,237	10,635	123,700
	<u>21,912,805</u>	<u>321,198</u>	<u>43,316</u>	<u>22,277,319</u>
Total revenues				
EXPENDITURES				
Current:				
General government	1,358,763	-	6,225	1,364,988
Public safety	582,199	-	28,453	610,652
Highway	944,314	-	-	944,314
Sanitation and health	272,833	-	-	272,833
Conservation and land use	67,270	-	-	67,270
Recreation	141,552	-	-	141,552
Community services	553,809	-	5,938	559,747
Welfare	8,755	-	11,694	20,449
Education	16,581,237	-	-	16,581,237
Debt service	466,036	-	-	466,036
Capital outlays	-	1,555,978	-	1,555,978
	<u>20,976,768</u>	<u>1,555,978</u>	<u>52,310</u>	<u>22,585,056</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	936,037	(1,234,780)	(8,994)	(307,737)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	750,000	26,622	776,622
Operating transfers out	(770,000)	-	(6,622)	(776,622)
	<u>(770,000)</u>	<u>750,000</u>	<u>20,000</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balances	166,037	(484,780)	11,006	(307,737)
Fund balances - July 1, 2017, as restated	<u>4,917,653</u>	<u>2,513,171</u>	<u>102,011</u>	<u>7,532,835</u>
Fund balances - June 30, 2018	<u>\$ 5,083,690</u>	<u>\$ 2,028,391</u>	<u>\$ 113,017</u>	<u>\$ 7,225,098</u>

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

**TOWN OF KILLINGWORTH, CONNECTICUT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds (\$ 307,737)

Amounts reported for governmental activities in the statement of activities are different because of the following:

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.

Capital outlay	1,482,394
Depreciation expense	(1,510,163)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes and interest receivable - accrual basis change	(26,209)
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The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Principal payments on general obligation bonds	415,000
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest payable	(17,642)
Change in compensated absences	5,062
Change in net pension liability	(8,722)
Change in net OPEB liability	<u>(10,214)</u>

Change in net position of governmental activities	<u>\$ 21,769</u>
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The accompanying notes to the financial statements are an integral part of this statement.

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

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 125,446	\$ 809
Investments	<u>3,253,617</u>	<u>-</u>
Total assets	<u>3,379,063</u>	<u>\$ 809</u>
LIABILITIES		
Due to other groups	<u>\$ -</u>	<u>\$ 809</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 3,379,063</u>	

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

**TOWN OF KILLINGWORTH, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

ADDITIONS

Employer contributions	\$	223,759
Investment return:		
Investment income		84,353
Net increase in fair value of investments		<u>88,381</u>
Total investment return		172,734
Less investment expenses		<u>23,107</u>
Net investment return		<u>149,627</u>
Total additions		<u>373,386</u>

DEDUCTIONS

Benefits paid		<u>229,095</u>
Total deductions		<u>229,095</u>
Change in net position		144,291
Net position - July 1, 2017, as restated		<u>3,234,772</u>
Net position - June 30, 2018	\$	<u><u>3,379,063</u></u>

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

**TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Town of Killingworth, Connecticut was named in 1667. The Town of Killingworth, Connecticut operates under a Selectmen/Town Meeting form of government. The Town provides the following services: public safety; highways and streets; health and welfare; culture-recreation; education; public improvements; planning and zoning; and general administrative services.

The Town operates under the provisions of its charter and the General Statutes of the State of Connecticut. The legislative powers of the Town are vested in the Town Meeting. A town meeting is required to make appropriations, levy tax and borrow money. The executive body is made up of a Board of Selectmen, consisting of a First Selectman, who is the chief executive officer, and two other board members. A six-member Board of Finance is responsible for presenting and overseeing fiscal operating budgets.

The Town is a member of Regional School District No. 17 with the Town of Haddam. The District provides educational services and facilities for children of the two towns from grades K through 12. The District's board, which is elected on a proportional basis by residents of the participating towns, controls the operation of the District.

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

In evaluating how to define the financial reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in this reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. The criterion has been considered and there are no agencies or entities which should be presented with this government. The following related organizations, to which the Town appropriates funds annually, does not meet the above criteria and are not included in the reporting entity:

The Board of Selectmen is responsible for appointing two members to the Library Board of the Town of Killingworth but the Town's accountability does not extend beyond making such appointments. Amounts paid by the Town of Killingworth to the Library in exchange for services rendered amounted to \$255,621 for the year ended June 30, 2018.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

B. Basis of Presentation

The financial statements of the Town of have been prepared in conformity with U.S. generally accepted accounting principles as applied to government units. GASB is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies used by the Town:

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Town. As a general rule, the effect of interfund balances and activity has been eliminated in preparation of these statements. Exceptions to this rule are services provided by one fund used by another fund. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned. Governmental activities, which are normally supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Town does not have any business-type activities.

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is 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, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) interest earned on grants that is required to be used to support a particular program. Property taxes and other items not properly included among program revenues are reported instead as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The Reserve Fund for Capital and Nonrecurring Expenditures is a capital projects fund which is used to account for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment.

Additionally, the Town reports the following fund types:

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

The Pension Trust Funds which account for the activities of the Towns' pension plans, which accumulate resources for pension benefit payments to qualified Town employees and volunteer fire fighters.

The Agency Funds account for funds held by the Town of behalf of residents, such as performance bonds.

During the course of operations the Town may have activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported as gross amounts as transfers in/out. Certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized 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. Measurable means knowing or being able to reasonably estimate the amount. 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.

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenue when all eligibility requirements are met, including any time requirements and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

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. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the Town under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Town's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Cash Equivalents

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

Investments

Investments for the Town are reported at fair value, generally based on quoted market prices.

Property Taxes and Other Receivables

The Town's property tax is levied and payable each July 1 on the assessed value listed as of the prior October 1 for all real and personal property located in the Town. Assessed values are established by the Town's Assessor's office at 70% of appraised value. These taxes are billed and due in two installments, July 1 and the following January 1. Taxes become overdue one month after the installment due date. Interest at the rate of 1.5% per month accrued on all overdue tax balances. Liens are effective on the assessment date and are generally continued by filing in May following the due date.

Section 12-165 of the General Statutes of the State of Connecticut requires each municipality to write-off, on an annual basis, the property taxes which are deemed uncollectible. Property taxes and related interest receivable at June 30, 2018 are stated net of an allowance for uncollectible amounts of \$11,511.

State statutes require that a revaluation be done every four years. The last revaluation completed and enacted was for the list of October 1, 2016.

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

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. At June 30, 2018, the Town had no prepaid items.

Capital Assets

Capital assets, which include land and related improvements, buildings and related improvements, equipment and vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements.

Capital assets used in governmental fund operations are accounted for as capital outlays, or departmental expenditures in the fund financial statements upon acquisition.

Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Town's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Land improvements	20
Equipment and vehicles	5-20
Infrastructure	20-50

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows of resources related to pension in the government-wide statement of net position. A deferred outflow of resources related to pension results from changes in assumptions and differences between projected and actual earnings. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension results from differences between expected and actual experience. A deferred inflow of resources related to OPEB results from changes in assumptions and differences between expected and actual experience. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees). Also, for the governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

Under the terms of the Town's bargaining agreements, certain Town employees are granted vacation and sick leave in varying amounts. Certain employees may carry over a limited number of unused vacation and sick days to subsequent years and, in the event of termination, are reimbursed for these days based upon various formulas. Accumulated vacation and sick leave is recognized as a liability of the Town in the government-wide financial statements.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Town will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30, 2018 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. Town employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation and sick leave at various rates.

Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net position liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Net Other Postemployment Benefit (OPEB) Liability

The net OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the OPEB plan's fiduciary net position. The Town does not currently have funds set aside in an OPEB Trust. The net position liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities 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.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

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

Net Position/Fund Balance

Government-wide Statements

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

- a. Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.
- c. Unrestricted - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment if capital assets or the restricted components of net position.

Net Position Flow Assumption - Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Fund Financial Statements

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

- a. Nonspendable Fund Balance - represents amounts that cannot be spent because they are either (a) not in spendable form (e.g., inventories and prepaid amounts) or (b) legally or contractually required to be maintained intact.
- b. Restricted Fund Balance - represents amounts that are constrained for a specific purpose by either (a) external parties, such as grantors, creditors, contributors, or laws and regulation of their governments or (b) imposed by law through constitutional provisions or enabling legislation.
- c. Committed Fund Balance - represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. The Town Meeting is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.
- d. Assigned Fund Balance - for all governmental funds other than the General Fund, any remaining positive amounts not classified as nonspendable, restricted or committed. For the General Fund, includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance.
- e. Unassigned Fund Balance - represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

Fund Balance Flow Assumptions - Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

The Town does not have a minimum fund balance policy.

E. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues, expenses and expenditures. Actual results could differ from those estimates.

F. Subsequent Events

Management has evaluated subsequent events through November 21, 2018, the date the financial statements were available to be issued.

G. Application of Accounting Standards

The Town implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities.

H. Prior Period Adjustments

The Reserve for Capital and Nonrecurring Expenditures Fund was restated for \$15,149 to properly reflect cash balances as of June 30, 2017. The Pension Trust Funds were restated for \$5,586 to properly reflect investment values as of June 30, 2017.

2 - Stewardship, Compliance and Accountability

Budgetary Information

The Town establishes a Town-wide budget in accordance with provisions of its Charter and the Connecticut General Statutes. The Annual Budget Meeting is held on the third Monday in May, in accordance with the Town Charter. At the meeting, the Board of Finance recommends its proposed budget to the Town. The operating budget includes proposed expenditures and the means of financing them.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

The Board of Finance, on request by Town agencies or officials, may make special appropriations from surplus revenue or from an approved contingency fund. Such a special appropriation in excess of \$20,000 shall require approval by a vote of Town meeting. Not more than one special appropriation for any Town agency, official, or any department may be made by the Board of Finance in each fiscal year, without approval of Town meeting.

The Board of Finance is also authorized to transfer budgeted amounts up to \$20,000 within and between Town departments. Any transfer over \$20,000 must be approved at Town meeting.

Formal budgetary integration is employed as a management control device during the year for the General Fund. No additional appropriations were needed during the year.

All unencumbered general fund appropriations lapse at year-end. Section 9-4 of the Town Charter allows the Board of Finance to hold open any portion of an annual appropriation remaining unexpended at the close of the fiscal year.

In accordance with Section 9-7 of the Town Charter, the Town is permitted to hold open unencumbered appropriations, within the Reserve Fund for Capital and Nonrecurring Expenditures, authorizing the construction or permanent improvement of capital assets of the Town for a period of three years. If an encumbered expenditure has been incurred, the appropriation is held open until the completion of the project.

3 - Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be made in a "qualified public depository" as defined by Statute or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an "out-of-state bank," as defined by the Statutes, which is not a "qualified public depository."

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

The following is a summary of cash and cash equivalents at June 30, 2018:

	Government-Wide Statement of Net Position	Fiduciary Funds Statement of Net Position
Cash and cash equivalents:		
Cash on hand and on deposit	\$ 7,307,051	\$ 809
Money market funds	-	125,446
	\$ 7,307,051	\$ 126,255
Total cash and cash equivalents		

As of year-end, the Town's bank balances were \$7,408,815.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. Of the June 30, 2018 bank balance, \$500,000 was covered by Federal Depository Insurance. All of the Town's deposits are in qualified public institutions as defined by state statute. Under this statute, any bank holding public deposits must at all times maintain segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. Additionally, the Town has an agreement with its primary financial institution whereby one hundred percent of the Town deposits which exceed the FDIC limits are collateralized with assets segregated from the financial institutions assets at the Federal Reserve Bank and identified as being pledged to the Town. The Town has a deposit policy for custodial risk.

Investments

The Connecticut General Statutes permit municipalities to invest in: (a) obligations of the United States and its agencies, (b) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and (c) shares or other interest in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market or mutual funds (with constant or fluctuating new asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations.

The Pension Trust Fund is also authorized to invest in U.S. government obligations, corporate bonds, common stocks and mutual funds.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

As of June 30, 2018, the Town's investments consisted of the following:

	<u>Government-Wide</u> Statement of Net Position	<u>Fiduciary Funds</u> Statement of Net Position
U.S. government and related obligations	\$ -	\$ 451,352
Corporate bonds	-	383,824
Equity mutual funds	-	2,015,333
Fixed income mutual funds	-	403,108
	<hr/>	<hr/>
Total investments	<u>\$ -</u>	<u>\$ 3,253,617</u>

At June 30, 2018, the Town had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. Government and Related Obligations	\$ 451,352	\$ -	\$ 341,457	\$ 109,509	\$ 386
Corporate Bonds	<u>383,824</u>	<u>-</u>	<u>275,347</u>	<u>108,477</u>	<u>-</u>
	835,176	<u>\$ -</u>	<u>\$ 616,804</u>	<u>\$ 217,986</u>	<u>\$ 386</u>
Mutual Funds **	<u>2,418,441</u>				
	<u>\$3,253,617</u>				

** Mutual funds do not mature.

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

Credit risk - The Town has no formal investment policy that would limit its investment choices due to credit risk other than State Statutes. The provisions of State statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan. The Town has no investment policy that would further limit its investment choices beyond those limited by state statute.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments of collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2018, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

Concentrations of Credit Risk - The Town has no policy limiting the amount the Town may invest in any one issuer.

Fair Value Measures - The Town utilizes the market approach as the valuation technique to measure fair value of its financial assets. U.S. generally accepted accounting principles establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value of financial instruments into three levels.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities where the organization has the ability to access at the measurement date;

Level 2 - Significant other observable inputs other than quoted prices included in Level 1, which are observable for the asset or liability, either directly or indirectly (i.e. quoted prices in inactive markets, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency);

Level 3 - Unobservable inputs are used to the extent that observable inputs are unavailable due to little, if any, market activity for the asset or liability. Unobservable inputs are developed based on the best information available, which might include the organization's own data that reflects assumptions that market participants would use in pricing the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

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, 2018.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

4 - Property Taxes and Other Receivables

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

	General Fund
Receivables:	
Taxes	\$ 125,786
Interest	28,544
Gross receivables	154,330
Less: allowance for uncollectibles	(11,511)
Net total receivables	\$ 142,819

5 - Interfund Transactions

A. Interfund Balances

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not yet received. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Internal balances between governmental funds are eliminated on the government-wide financial statements.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
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B. Interfund Transfers

Interfund transfers for the year ended June 30, 2018, consisted of the following, as reported in the fund financial statements:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 770,000
Major Governmental Fund:		
Reserve Fund for Capital and Nonrecurring Expenditures	750,000	-
Nonmajor Governmental Funds:		
Dog Fund	23,998	
The Attie Fund	-	3,998
Parmelee Farm	2,624	-
Community Gardens	-	2,624
	<u>\$ 776,622</u>	<u>\$ 776,622</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
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6 - Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2018</u>
Governmental activities:				
Capital Assets, not being depreciated				
Land	\$ 3,821,535	\$ -	\$ -	\$ 3,821,535
Construction in progress	-	431,196	-	431,196
Total capital assets, not being depreciated	<u>3,821,535</u>	<u>431,196</u>	<u>-</u>	<u>4,252,731</u>
Capital assets, being depreciated				
Land improvements	2,476,118	21,932	-	2,498,050
Buildings and improvements	4,231,931	63,845	-	4,295,776
Equipment and vehicles	4,696,033	174,601	-	4,870,634
Infrastructure	45,358,170	790,820	-	46,148,990
Total capital assets, being depreciated	<u>56,762,252</u>	<u>1,051,198</u>	<u>-</u>	<u>57,813,450</u>
Less: accumulated depreciation for:				
Land improvements	1,079,129	84,285	-	1,163,414
Buildings and improvements	1,630,008	87,792	-	1,717,800
Equipment and vehicles	3,737,550	203,857	-	3,941,407
Infrastructure	29,796,110	1,134,229	-	30,930,339
Total accumulated depreciation	<u>36,242,797</u>	<u>1,510,163</u>	<u>-</u>	<u>37,752,960</u>
Total capital assets, being depreciated, net	<u>20,519,455</u>	<u>(458,965)</u>	<u>-</u>	<u>20,060,490</u>
Total Government-Wide Capital Assets, net	<u>\$ 24,340,990</u>	<u>(\$ 27,769)</u>	<u>\$ -</u>	<u>\$ 24,313,221</u>

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

Depreciation expense was charged to governmental activities - functions/programs as follows:

General government	\$ 44,434
Public safety	133,948
Highway	1,201,625
Recreation	89,296
Community services	<u>40,860</u>
 Total	 <u><u>\$ 1,510,163</u></u>

7 - Long-Term Obligations

The following is a summary of changes in long-term obligations during the fiscal year:

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Governmental Activities:					
General obligation bond	\$ 3,415,000	\$ -	\$ 415,000	\$ 3,000,000	\$ 410,000
Net pension liability	1,283,711	31,055		1,314,766	
Net OPEB liability	130,415	-	3,163	127,252	
Compensated absences	<u>161,194</u>	<u>37,535</u>	<u>42,597</u>	<u>156,132</u>	<u>75,509</u>
	<u><u>\$ 4,990,320</u></u>	<u><u>\$ 68,590</u></u>	<u><u>\$ 460,760</u></u>	<u><u>\$ 4,598,150</u></u>	<u><u>\$ 485,509</u></u>

General Obligation Bond Payable

At June 30, 2018, the Town had a general obligation bond in the amount of \$3,000,000 outstanding. The bond, dated November 7, 2016, matures over 10 years at an interest rate of 1.59%.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

The annual debt service requirements on this general obligation bond, including interest, are as follows as of June 30:

Fiscal Year Ending	Principal	Interest
2019	\$ 410,000	\$ 44,441
2020	405,000	37,961
2021	400,000	31,562
2022	390,000	25,281
2023	385,000	19,120
2024-2027	1,010,000	24,012
	\$ 3,000,000	\$ 182,377

Payments on all long-term debt that pertain to the Town's governmental activities are made by the General Fund.

Killingworth is a member of Regional School District No. 17, which provides education facilities for grades K through twelve for the towns of Haddam and Killingworth. As of June 30, 2018, the outstanding bonded indebtedness of the District was \$12,100,000 with Killingworth's share being 40.83176% or \$4,940,643. These are general obligations of Regional School District No. 17 and its member towns.

Authorized/Unissued Bonds

There are no authorized, unissued bonds at June 30, 2018.

Debt Limitation

The Town's total authorized debt falls within the debt limitation set forth by the Connecticut General Statutes.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

8 - Fund Balance

	General Fund	Reserve Fund For Capital and Nonrecurring Expenditures	Non-major Governmental Funds	Total
Fund balances:				
Restricted for:				
General government	\$ -	\$ -	\$ 4,379	\$ 4,379
Public safety	-	-	58,477	58,477
Community services	-	-	37,301	37,301
Welfare	-	-	12,860	12,860
Committed to:				
Capital projects	-	970,140	-	970,140
Assigned to:				
Subsequent year's budget	582,893	-	-	582,893
Capital projects	-	1,058,251	-	1,058,251
Unassigned	<u>4,500,797</u>	<u>-</u>	<u>-</u>	<u>4,500,797</u>
Total fund balances	<u>\$5,083,690</u>	<u>\$ 2,028,391</u>	<u>\$ 113,017</u>	<u>\$ 7,225,098</u>

9 - Defined Benefit Pension Plan

The Town administers two single employer defined benefit public employees retirement system (PERS) pension plans, one covering all eligible full-time employees and the second covering volunteer firefighters. The PERS are considered to be a part of the Town's financial reporting entity and are included in the Town's financial statements as pension trust funds. The plans do not issue separate, stand alone, financial reports.

Management of the plans rest with the administrative pension board appointed by the Board of Selectmen.

A. Municipal Employees

Plan Description

The Town of Killingworth is the sponsor and administrator of a single employer retirement system named the "Town of Killingworth Municipal Employees' Pension Plan" (the Plan) which was established to provide pension benefits for employees of the Town. The Plan was adopted September 30, 2003 effective July 1, 2001. The Plan is closed to new participants.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Benefit Provisions

A participant is eligible for normal retirement upon reaching the later of the age of 65 or the completion of 15 years of service. There is no mandatory retirement age. Members are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.5% of final earnings times years of service, to a maximum of 30 years.

The Plan contains a provision for early retirement at age 60 with at least 15 years of service. Benefit is reduced actuarially to reflect early retirement. The spousal death benefit for the Plan is the actuarial equivalent of the members' vested accrued retirement benefit.

Participants in the Plan are vested after 15 years.

Employer contribution rates are established by the Board of Selectmen and approved by the Board of Finance as determined by its actuaries. The Town is required to contribute the remaining amounts necessary to finance the benefits for the participants as determined by its actuaries. The Town's funding policy provides for periodic employer contributions to accumulate sufficient assets to pay benefits when due.

Plan Membership

Membership in the Plan consisted of the following at June 30, 2018:

Inactive plan members or beneficiaries currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>10</u>
Total	<u><u>20</u></u>

Summary of Significant Accounting Policies

The Plan's financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

All plan investments are reported at fair value.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

B. Volunteer Fire Company

Plan Description

The Town of Killingworth is the sponsor and administrator of a single employer retirement system named the "Killingworth Volunteer Fire Company Defined Benefit Pension Plan" (the Plan) which was established to provide pension benefits for employees of the Town. The Plan was formally adopted in September, 2005. The Plan was originally effective January 1, 1989 with benefit funding provided exclusively through an insurance program which was paid by the Town.

The Plan covers anyone who is a volunteer fireman or ambulance personnel who is eligible to enter the Plan. Individuals are eligible to enter the Plan as a participant upon reaching age 18 and completing a probationary period of at least 3 months and not more than 3 years.

Benefit Provisions

A participant is eligible for normal retirement upon reaching the age of 65. There is no mandatory retirement age. The Plan benefit is determined based upon years of participation. Participants will be credited with a year of plan participation for any plan year in which the participant attends any one of the following: (1) at least 20% of all calls; (2) at least 50% of all meetings; (3) at least 50% of all drills; and (4) at least 50% of all work nights.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

The amount of monthly retirement income benefit of a plan participant will be an amount based upon years of plan participation as set forth in the following table:

<u>Years of Plan Participation</u>	<u>Amount of Monthly Retirement Income</u>
0	\$ -
1-5	150
6	200
7	220
8	240
9	260
10	280
11	300
12	320
13	340
14	360
15	380
16	400
17	420
18	440
19	460
20	480
21 or more	500

The normal form of retirement benefit provides for a monthly benefit payment for as long as the participant shall live. Optional forms of distribution are available.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

Participants in the Plan are vested according to the following table:

Years of Plan Participation	Vested Percentage
Less than 4	0%
4	40%
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

Town contribution rates are established by the Board of Selectmen and approved by the Board of Finance as determined by its actuaries. The Town is required to contribute the remaining amounts necessary to finance the benefits for the participants as are actuarially determined. The Town's funding policy provides for periodic employer contributions to accumulate sufficient assets to pay benefits when due.

Plan Membership

Membership in the Plan consisted of the following at June 30, 2018:

Inactive plan members or beneficiaries currently receiving benefits	46
Inactive plan members entitled to but not yet receiving benefits	25
Active plan members	<u>24</u>
Total	<u><u>95</u></u>

Summary of Significant Accounting Policies

The Plan's financial statements are prepared using the accrual basis of accounting. Town contributions are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

All plan investments are reported at fair value.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

The individual plan net position at June 30, 2018 and changes in net position for the year then ended are as follow:

	<u>Town Employees</u>	<u>Volunteer Fire</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 80,715	\$ 44,731	\$ 125,446
Investments	<u>2,083,859</u>	<u>1,169,758</u>	<u>3,253,617</u>
	<u>\$ 2,164,574</u>	<u>\$ 1,214,489</u>	<u>\$ 3,379,063</u>
Net position held in trust for pension benefits	<u>\$ 2,164,574</u>	<u>\$ 1,214,489</u>	<u>\$ 3,379,063</u>
ADDITIONS			
Contributions:			
Employer	\$ 112,425	\$ 111,334	\$ 223,759
Total contributions	<u>112,425</u>	<u>111,334</u>	<u>223,759</u>
Investment return:			
Investment income	54,769	29,584	84,353
Net increase in the fair value of investments	<u>55,120</u>	<u>33,261</u>	<u>88,381</u>
Total investment return	<u>109,889</u>	<u>62,845</u>	<u>172,734</u>
Less investment expenses	<u>14,845</u>	<u>8,262</u>	<u>23,107</u>
Net investment return	<u>95,044</u>	<u>54,583</u>	<u>149,627</u>
Total additions	<u>207,469</u>	<u>165,917</u>	<u>373,386</u>
DEDUCTIONS			
Benefit payments	<u>122,057</u>	<u>107,038</u>	<u>229,095</u>
Total deductions	<u>122,057</u>	<u>107,038</u>	<u>229,095</u>
Change in net position	<u>85,412</u>	<u>58,879</u>	<u>144,291</u>
NET POSITION, beginning	<u>2,079,162</u>	<u>1,155,610</u>	<u>3,234,772</u>
NET POSITION, ending	<u>\$ 2,164,574</u>	<u>\$ 1,214,489</u>	<u>\$ 3,379,063</u>

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Investments

Investment policy - the Plans' policy in regard to the allocation of invested assets is established and amended by the Board of Finance. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's adopted asset allocation policy for all plans as of June 30, 2018:

<u>Asset Class</u>	<u>Municipal Employees Target Allocation</u>	<u>Volunteer Fire Target Allocation</u>
Large Cap	22.10 %	21.10 %
Mid Cap	8.70	9.80
Small Cap	5.60	6.60
International Equity	13.30	13.70
International Emerging Markets	4.20	5.90
REIT's	2.80	3.90
High Yield Bonds	3.90	8.60
Short-term Bonds	9.80	3.80
Intermediate-term Bonds	24.40	21.80
Cash Equivalents	5.20	4.80
	<u>100.00 %</u>	<u>100.00 %</u>

Rate of return - For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension investment expense, was as follows:

Municipal Employees	4.61 %
Volunteer Fire	4.79

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Net Pension Liability

The components of the net pension liability of the Town at June 30, 2018, were as follows:

	<u>Town Employees</u>	<u>Volunteer Fire</u>	<u>Total</u>
Total pension liability	\$ 2,599,722	\$ 2,094,107	\$ 4,693,829
Plan fiduciary net position	<u>2,164,574</u>	<u>1,214,489</u>	<u>3,379,063</u>
Town's net pension liability	<u>\$ 435,148</u>	<u>\$ 879,618</u>	<u>\$ 1,314,766</u>
Plan fiduciary net position as a percentage of the total pension liability	83.26 %	58.00 %	

Actuarial assumptions - the total pension liability was determined by an actuarial valuation as of July 1, 2017 and increased by service cost and interest and decreased by benefit payments to estimate the total pension liability as of June 30, 2018. Actuarial assumptions were as follows:

	<u>Town Employees</u>	<u>Volunteer Fire</u>
Inflation	2.25%	2.25%
Salary increases	3.50%	N/A
Investment rate of return	6.50%	6.50%

Mortality rates for the Town Employees and Volunteer Fire Plan were based on the RP-2014 Combined Healthy Mortality with MP-2017 mortality improvements.

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

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Municipal Employees Long-term Expected Real Rate of Return</u>	<u>Volunteer Fire Long-term Expected Real Rate of Return</u>
Large Cap	6.74 %	6.74 %
Mid Cap	7.09	7.09
Small Cap	7.94	7.94
International Equity	8.40	8.40
International Emerging Markets	10.68	10.68
REIT's	6.10	6.10
High Yield Bonds	5.15	5.15
Short-term Bonds	3.11	3.11
Intermediate-term Bonds	3.52	3.52
Cash Equivalent	2.01	2.01

Discount rate - the discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Town contributions will be made at rates equal to the actuarially determined contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Changes in the Net Pension Liability

Town Employees Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances, June 30, 2017	\$ 2,528,942	\$ 2,079,162	\$ 449,780
Changes for the year:			
Service cost	57,237	-	57,237
Interest	160,414	-	160,414
Differences between expected and actual experience	(169,721)	-	(169,721)
Effect of assumptions changes or inputs	144,907	-	144,907
Contributions - employer	-	112,425	(112,425)
Net investment return	-	95,044	(95,044)
Benefit payments, including refunds of member contributions	(122,057)	(122,057)	-
Net changes	70,780	85,412	(14,632)
Balances, June 30, 2018	<u>\$ 2,599,722</u>	<u>\$ 2,164,574</u>	<u>\$ 435,148</u>

Volunteer Fire Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances, June 30, 2017	\$ 1,989,541	\$ 1,155,610	\$ 833,931
Changes for the year:			
Service cost	29,523	-	29,523
Interest	125,841	-	125,841
Difference between expected and actual experience	(96,813)	-	(96,813)
Effect of assumptions changes or inputs	153,053	-	153,053
Contributions - employer	-	111,334	(111,334)
Net investment return	-	54,583	(54,583)
Benefit payments	(107,038)	(107,038)	-
Net changes	104,566	58,879	45,687
Balances, June 30, 2018	<u>\$ 2,094,107</u>	<u>\$ 1,214,489</u>	<u>\$ 879,618</u>

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Sensitivity of the net pension liability to changes in the discount rate - the following presents the net pension liability of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Town Employees net pension liability	\$ 181,049	\$ 435,148	\$ 732,467
Volunteer Fire net pension liability	\$ 655,138	\$ 879,618	\$ 1,152,116

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the Town recognized pension expense of \$108,104 and \$96,534 for the Town Employees and Volunteer Fire Plans, respectively.

The Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	Town Employees Plan	Volunteer Fire Plan	Total
Deferred Outflows:			
Net difference between projected and actual earnings on pension plan investments	\$ 113,130	\$ 50,207	\$ 163,337
Changes of assumptions	127,171	144,583	271,754
	<u>\$ 240,301</u>	<u>\$ 194,790</u>	<u>\$ 435,091</u>
Deferred Inflows:			
Differences between actual and expected experience	\$ 234,073	\$ 119,790	\$ 353,863

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
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The net differences between projected and actual earnings are amortized over 5 years. The changes in assumptions and differences between actual and expected experience is amortized over 8.17 and 18.07 years for the Town Employee and Volunteer Fire Plans, respectively.

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follow:

Year ending June 30	Town Employee	Volunteer Fire	Total
2019	\$ 49,502	\$ 28,376	\$ 77,878
2020	20,527	14,259	34,786
2021	(9,749)	(128)	(9,877)
2022	(5,290)	3,448	(1,842)
2023	(14,535)	(1,063)	(15,598)
Thereafter	(34,227)	30,108	(4,119)

Defined Contribution Plan

Plan Description

The Town is the administrator of the Town of Killingworth 401(a) Plan established to provide benefits at retirement to substantially all full-time Town employees hired on or after July 1, 2015.

Plan provisions and contribution requirements are established and may be amended by the Board of Selectmen. At June 30, 2018, there were 5 plan members. UPSEU plan members are required to contribute a minimum of 4.0% to the plan. Other plan members may contribute amounts up to legal limits but have no minimum requirement. The Town is required to contribute an amount equal to the plan members' contribution up to 4.0% of covered salary. Plan members and the Town each contributed \$5,688, not including rollover contributions and forfeitures, to the plan in the year ended June 30, 2018. Plan members are 100% vested in their employee contributions. Plan members are 20% vested in their employer contribution after 1 year of service, with an additional 20% for each year thereafter. Forfeitures shall be used to pay plan expenses or reduce future employer contributions.

TOWN OF KILLINGWORTH, CONNECTICUT
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10 - Other Post-Employment Benefits (OPEB)

Plan Description

The Town, in accordance with collective bargaining agreements, provides post-retirement medical benefits to eligible retirees and their spouses through a single-employer, contributory, defined benefit OPEB plan. The Town does not issue a separate stand-alone financial statement for this program. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefit Provisions

Employees of the Town are eligible for medical coverage based upon the following criteria:

- Normal retirement at age 62 and 15 years of service.
- For UPSEU and AFSCME union retirees:
 - Benefits are continued for 3 years or until the retiree or spouse turns 65.

Spousal medical benefits are provided to the spouse of a retiree eligible for medical benefits and are subject to the same duration of coverage as indicated above.

Plan Membership

Membership in the Plan consisted of the following at July 1, 2018:

Inactive employees or beneficiaries currently receiving benefit payments	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>6</u>
Total	<u><u>6</u></u>

Funding Policy

The Town funding and payment of postemployment benefits are accounted for in the General Fund. The Town has not established a trust fund to segregate irrevocable assets to fund the liability associated with postemployment benefits. The Town does not currently have a funding strategy to provide for normal cost and the amortization of the accrued liability. The Town currently contributes enough money to the Plan to satisfy the current obligations on a pay-as-you go basis.

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NOTES TO FINANCIAL STATEMENTS
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...Continued...

Plan benefits for retirees require a contribution of 14 percent regardless of coverage.

Total OPEB Liability

The Town's total OPEB liability of \$127,252 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs - The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	N/A
Discount rate	3.62%
Healthcare cost trend rates	3.0% per year

The discount rate was based on the Fidelity 20-Year Go Municipal Bond Index.

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table with MP-2017 mortality improvements.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance, June 30, 2017	\$ 130,415
Changes for the year:	
Service cost	7,379
Interest	4,721
Differences between expected and actual experience	(10,860)
Changes in assumptions or other inputs	<u>(4,403)</u>
Net change	<u>(3,163)</u>
Balance, June 30, 2018	<u>\$ 127,252</u>

Changes in assumptions and other inputs reflect a change in the mortality tables and healthcare cost trend rates.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

Sensitivity of the total OPEB liability to changes in the discount rate - the following presents the total OPEB liability of the Town, calculated using the discount rate of 3.62%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.62%) or 1-percentage-point higher (4.62%) than the current rate:

	1% Decrease (2.62%)	Discount Rate (3.62%)	1% Increase (4.62%)
Total OPEB liability	\$ 134,126	\$ 127,252	\$ 120,685

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - the following presents the total OPEB liability of the Town, calculated using the healthcare cost trend rate of 3.00%, as well as what the Town's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (2.00%) or 1-percentage-point higher (4.00%) than the current rate:

	1% Decrease (2.00%)	Healthcare Cost Trend Rate (3.00%)	1% Increase (4.00%)
Total OPEB liability	\$ 126,037	\$ 127,252	\$ 128,477

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
... Continued ...

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

For the year ended June 30, 2018, the Town recognized OPEB expense of \$10,214. At June 30, 2018, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Changes of assumptions	(\$ 9,518)
Differences between actual and expected experience	(3,859)
	(\$ 13,377)

The changes in assumptions and differences between actual and expected experience is amortized over 8.09 years.

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follow:

Year ending June 30	
2019	(\$ 1,886)
2020	(1,886)
2021	(1,886)
2022	(1,886)
2023	(1,886)
Thereafter	(3,947)

11 - Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation and natural disasters for which the Town carries commercial insurance. During the year ended June 30, 2018, deductibles paid by the Town were insignificant. Settled claims, for all types of commercial coverage, have not exceeded commercial insurance coverage during any of the past three fiscal years.

TOWN OF KILLINGWORTH, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
...Continued...

12 - Commitments and Contingencies

There are various suits and claims pending against the Town, none of which, individually, or in the aggregate, is believed by legal counsel to be likely to result in a judgment or judgments, which would materially affect the Town's financial position.

The Town has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based upon prior experience, Town management believes such disallowances, if any, will not be material.

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

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Property Taxation:				
General tax receipts	\$ 18,850,049	\$ 18,850,049	\$ 19,084,000	\$ 233,951
Other tax collections	30,000	30,000	79,135	49,135
	<u>18,880,049</u>	<u>18,880,049</u>	<u>19,163,135</u>	<u>283,086</u>
Intergovernmental Revenues:				
Education equalization grant	2,158,948	2,158,948	1,885,954	(272,994)
Pequot/Mohegan grant	15,229	15,229	15,190	(39)
Town aid roads	253,148	253,148	251,817	(1,331)
PILOT - State owned property	62,657	62,657	48,005	(14,652)
Local capital improvement program	53,448	53,448	-	(53,448)
Youth services	18,937	18,937	18,639	(298)
Tax relief for the elderly	38,000	38,000	-	(38,000)
Veterans tax relief	4,300	4,300	5,274	974
Disabled grant	300	300	294	(6)
Municipal revenue sharing/grants for municipal projects	20,108	20,108	5,148	(14,960)
Other federal, state and local grants	-	-	25,205	25,205
	<u>2,625,075</u>	<u>2,625,075</u>	<u>2,255,526</u>	<u>(369,549)</u>
Licenses, Fees and Permits	125,000	125,000	177,851	52,851
Charges for Goods and Services	115,000	115,000	184,688	69,688
Interest Income	10,000	10,000	28,777	18,777
Other Revenues	100,000	100,000	102,828	2,828
Appropriation of Prior Year Fund Balance	<u>68,126</u>	<u>68,126</u>	<u>68,126</u>	<u>-</u>
Total Revenues	<u>\$ 21,923,250</u>	<u>\$ 21,923,250</u>	21,980,931	<u>\$ 57,681</u>

Budgetary revenues are different from GAAP revenues because:

 Appropriation of prior year fund balance is not recognized as revenues for GAAP purposes (68,126)

Total revenues and other financing sources as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds \$ 21,912,805

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

	Original Budget	Revised Budget	Actual	Variance With Final Budget
General Government:				
First Selectman - salary	\$ 73,634	\$ 73,634	\$ 73,634	\$ -
First Selectman - meeting expense	500	500	205	295
First Selectman - mileage	1,500	1,500	1,156	344
Selectman's salary	8,160	8,160	8,160	-
Town office building- secretary	14,608	14,608	10,846	3,762
Finance Director - salary	71,941	71,941	71,941	-
Selectman's secretary - salary	46,866	46,866	46,866	-
Office expense	16,150	16,150	11,812	4,338
Probate court support	2,130	2,130	2,130	-
Board of Elections - salaries	10,000	10,000	7,786	2,214
Board of Elections - expenses	26,300	26,300	15,003	11,297
Board of Finance - expenses	3,000	3,335	3,335	-
Board of Finance - audit	22,000	22,000	22,000	-
Annual capital transfer - transfer to capital reserve	730,000	730,000	730,000	-
Annual capital transfer - sinking fund vacation sick time	20,000	20,000	20,000	-
Contingency	25,000	-	-	-
Grant writer	1	1	-	1
Assessor - salary	28,000	28,000	26,188	1,812
Assessor assistant - salary	21,165	21,165	18,706	2,459
Assessor - expenses	4,550	7,223	7,223	-
Board of assessment appeals - expenses	500	500	150	350
Tax collector - salary	51,268	51,268	51,268	-
Tax collector clerk - salary	21,912	21,912	17,757	4,155
Tax collector - expenses	8,010	8,010	2,024	5,986
Treasurer - salary	4,199	4,199	4,199	-
Treasurer - expenses	800	800	800	-
Town Counsel - fees	40,000	76,635	76,634	1
Town Engineer - fees	50,000	6,819	6,819	-
Town Clerk - salary	63,775	63,775	63,775	-
Town Clerk Assistant A - salary	51,375	51,375	51,213	162
Town Clerk Assistant B - salary	15,580	15,580	12,426	3,154
Town Clerk - expenses	30,800	30,800	24,484	6,316
Building official - salary	36,000	37,737	37,737	-
Building official - expenses	5,100	5,100	4,777	323
Land use secretary - salary	18,170	19,105	19,105	-
Water testing fees	2,944	2,944	2,639	305
Buildings and grounds	46,225	46,225	43,188	3,037
Duplicating expense	2,700	2,700	2,582	118
Postage/meter rental	12,500	12,500	8,614	3,886
Mapping machine	1,400	1,400	250	1,150
Telephone expense	7,000	7,188	7,188	-
Town office building - custodian	6,500	6,500	4,605	1,895
Electricity	27,000	28,637	28,637	-
Fire/liability/casualty insurance	67,756	67,756	65,383	2,373
Workers compensation insurance	45,893	45,893	45,889	4
Unemployment insurance	1	1	-	1
Social security/medicare	78,000	78,000	73,049	4,951
Medical/dental insurance	200,000	163,293	163,293	-
Life/disability insurance	8,300	8,300	7,766	534
Pension plans	120,630	120,630	118,112	2,518
Actuarial expense	3,000	3,550	3,550	-
Medical buyout	-	-	-	-
Computer hardware and supplies	6,000	6,000	5,993	7
Computer licenses and support	30,190	30,190	27,721	2,469
IT network support	39,504	41,438	41,438	-
Town website	3,000	3,000	2,381	619
GIS applications	3,500	3,500	3,500	-
Internet access	1,620	1,620	1,619	1
Total General Government	2,236,657	2,178,393	2,107,556	70,837

... Continued ...

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

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Public Safety:				
KVFC/KAA life insurance	\$ 21,000	\$ 22,986	\$ 22,986	\$ -
Fire company	125,750	125,750	125,750	-
Ambulance/fire company incentive program	111,334	111,334	111,334	-
Actuarial expense	3,000	6,310	6,310	-
Fire Marshal - salary	5,950	5,952	5,952	-
Fire Marshal - expenses	3,600	3,600	2,420	1,180
Open burning official - salary	1,000	1,000	1,000	-
Office of emergency management	4,750	4,750	2,845	1,905
Emergency planning committee	1	1	-	1
Resident State Trooper - salary	173,000	181,085	181,085	-
Resident State Trooper - expenses	25,160	32,419	32,419	-
Valley Shore emergency communications	83,573	83,573	83,573	-
Paramedic obligation	6,525	6,525	6,525	-
Total Public Safety	<u>564,643</u>	<u>585,285</u>	<u>582,199</u>	<u>3,086</u>
Highway:				
Snow removal	236,922	312,536	312,536	-
Highway wages	327,918	282,262	279,526	2,736
Highway - other	408,628	351,053	347,474	3,579
Cemetery care	10,500	10,500	5,904	4,596
Total Highway	<u>983,968</u>	<u>956,351</u>	<u>945,440</u>	<u>10,911</u>
Sanitation and Health:				
Compactor - supervisor's salary	18,280	18,280	17,474	806
Compactor - attendant salary	27,669	29,732	29,732	-
Compactor - maintenance and operations	24,401	24,401	23,259	1,142
Carting and disposal expense	95,000	74,525	74,025	500
Bulky waste disposal	69,800	69,800	60,592	9,208
Bethke site	1	1	-	1
Mosquito control	1	1	-	1
Hazardous waste collection	11,806	13,090	13,090	-
Health Director	50,374	50,374	49,797	577
Restaurant sanitarian	2,100	2,100	1,922	178
Sanitarian - expenses	2,300	2,300	2,171	129
Public health nurse	300	300	75	225
Vital statistics	200	200	-	200
Total Sanitation and Health	<u>302,232</u>	<u>285,104</u>	<u>272,137</u>	<u>12,967</u>
Conservation and Land Use:				
Planning and zoning	17,650	17,650	7,720	9,930
Zoning enforcement officer - salary	31,855	31,855	31,850	5
Zoning enforcement officer - expenses	2,000	2,000	776	1,224
Zoning Board of Appeals	500	500	280	220
Conservation commission	500	500	305	195
Inlands wetlands commission	1,400	1,400	1,304	96
Inlands wetlands enforcement officer - salary	21,238	21,243	21,243	-
Inlands wetlands enforcement officer - expenses	500	500	232	268
Connecticut River conservation district	1,661	1,661	1,661	-
Tree warden	2,500	2,500	2,004	496
Total Conservation and Land Use	<u>79,804</u>	<u>79,809</u>	<u>67,375</u>	<u>12,434</u>

... Continued ...

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

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Recreation:				
Killingworth park and recreation commission	\$ 71,740	\$ 71,740	\$ 63,158	\$ 8,582
H-K regional recreation	78,394	78,394	78,394	-
Total Recreation	150,134	150,134	141,552	8,582
Community Services:				
Killingworth seniors'	1,600	1,600	1,600	-
Library	253,175	253,175	253,175	-
Dog fund support	20,000	20,000	20,000	-
Killingworth housing partnership	1	1	-	1
Municipal properties use committee	1	1	-	1
Parmelee Farm committee	20,000	20,000	15,605	4,395
350th committee	5,600	20,024	20,024	-
Open space committee	1	1	-	1
Open space acquisition expense	1	1	-	1
Friendly fund/helping hands	1,000	1,000	-	1,000
LCRVCOG	8,855	8,855	8,855	-
CAGMC/Community Renewal Team	3,000	3,000	3,000	-
Estuary Council of Seniors, Inc.	22,307	22,307	22,307	-
Estuary Transit District	9,065	9,065	9,065	-
Literacy volunteers	450	450	450	-
Regional mental health	289	289	289	-
H-K Youth and Family Services	77,625	77,625	77,625	-
The Connection - Eddy Shelter	1,000	1,000	1,000	-
Council of Small Towns	825	825	825	-
CT Conference of Municipalities	3,679	3,679	3,643	36
Tax abatements and refunds	20,000	106,440	106,440	-
Miscellaneous grants	1	29,906	29,906	-
Miscellaneous government refunds	1	1	-	1
Total Community Services	448,476	579,245	573,809	5,436
Welfare:				
Social services/municipal agent	10,000	10,000	8,770	1,230
Administration expenses	100	100	6	94
Total Welfare	10,100	10,100	8,776	1,324

. . . Continued . . .

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

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Debt and Lease Obligations:				
Bonding	\$ 465,999	\$ 466,036	\$ 466,036	\$ -
Total Debt and Lease Obligations	465,999	466,036	466,036	-
Total Operating Expenditures	5,242,013	5,290,457	5,164,880	125,577
Education	16,681,237	16,632,793	16,581,237	51,556
Total Expenditures	\$ 21,923,250	\$ 21,923,250	21,746,117	\$ 177,133
Accrued payroll costs are not recorded for budgetary purposes			651	
Total expenditures and other financing uses as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds			\$ 21,746,768	

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY
AND RELATED RATIOS
MUNICIPAL EMPLOYEES PENSION PLAN
LAST FIVE FISCAL YEARS**

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	\$ 57,237	\$ 59,216	\$ 63,781	\$ 62,886	\$ 60,467
Interest	160,414	175,757	174,821	170,601	162,008
Changes to assumptions	144,907	-	-	-	-
Difference between expected and actual experience	(169,721)	(79,507)	(31,449)	-	-
Benefit payments, including refunds of member contributions	(122,057)	(274,687)	(112,852)	(106,008)	(98,386)
Net change in total pension liability	70,780	(119,221)	94,301	127,479	124,089
Total pension liability - beginning	<u>2,528,942</u>	<u>2,648,163</u>	<u>2,553,862</u>	<u>2,426,383</u>	<u>2,302,294</u>
Total pension liability - ending (a)	<u>\$ 2,599,722</u>	<u>\$ 2,528,942</u>	<u>\$ 2,648,163</u>	<u>\$ 2,553,862</u>	<u>\$ 2,426,383</u>
Plan fiduciary net position					
Contributions - employer	\$ 112,425	\$ 104,319	\$ 104,018	\$ 106,018	\$ 114,671
Net investment return	95,044	159,021	(7,770)	2,446	246,895
Benefit payments, including refunds of member contributions	(122,057)	(274,687)	(112,852)	(106,008)	(98,386)
Net change in plan fiduciary net position	85,412	(11,347)	(16,604)	2,456	263,180
Plan fiduciary net position - beginning	<u>2,079,162</u>	<u>2,090,509</u>	<u>2,107,172</u>	<u>2,104,716</u>	<u>1,841,536</u>
Plan fiduciary net position - ending (b)	<u>\$ 2,164,574</u>	<u>\$ 2,079,162</u>	<u>\$ 2,090,568</u>	<u>\$ 2,107,172</u>	<u>\$ 2,104,716</u>
Town's net pension liability - ending (a) - (b)	<u>\$ 435,148</u>	<u>\$ 449,780</u>	<u>\$ 557,595</u>	<u>\$ 446,690</u>	<u>\$ 321,667</u>
Plan fiduciary net position as a percentage of the total pension liability	83.26 %	82.21 %	78.94 %	82.51 %	86.74 %
Covered-employee payroll	\$ 598,381	\$ 580,287	\$ 652,649	\$ 702,696	\$ 702,696
Net pension liability as a percentage of covered-employee payroll	72.72 %	77.51 %	85.44 %	63.57 %	45.78 %

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

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY
AND RELATED RATIOS
VOLUNTEER FIRE COMPANY PENSION PLAN
LAST FIVE FISCAL YEARS**

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	\$ 29,523	\$ 27,072	\$ 35,845	\$ 49,081	\$ 45,082
Interest	125,841	126,986	123,654	126,159	119,901
Changes to assumptions	153,053	-	-	-	-
Difference between expected and actual experience	(96,813)	55,336	(29,680)	(75,026)	-
Benefit payments, including refunds of member contributions	(107,038)	(67,874)	(96,572)	(75,964)	(83,100)
Net change in total pension liability	104,566	141,520	33,247	24,250	81,883
Total pension liability - beginning	<u>1,989,541</u>	<u>1,848,021</u>	<u>1,814,774</u>	<u>1,790,524</u>	<u>1,708,641</u>
Total pension liability - ending (a)	<u>\$ 2,094,107</u>	<u>\$ 1,989,541</u>	<u>\$ 1,848,021</u>	<u>\$ 1,814,774</u>	<u>\$ 1,790,524</u>
Plan fiduciary net position					
Contributions - employer	\$ 111,334	\$ 128,000	\$ 140,376	\$ 100,000	\$ 83,100
Net investment return	54,583	86,163	(7,226)	(3,128)	116,461
Benefit payments, including refunds of member contributions	(107,038)	(67,874)	(96,572)	(75,964)	(83,100)
Net change in plan fiduciary net position	58,879	146,289	36,578	20,908	116,461
Plan fiduciary net position - beginning	<u>1,155,610</u>	<u>1,009,321</u>	<u>972,743</u>	<u>951,835</u>	<u>835,374</u>
Plan fiduciary net position - ending (b)	<u>\$ 1,214,489</u>	<u>\$ 1,155,610</u>	<u>\$ 1,009,321</u>	<u>\$ 972,743</u>	<u>\$ 951,835</u>
Town's net pension liability - ending (a) - (b)	<u>\$ 879,618</u>	<u>\$ 833,931</u>	<u>\$ 838,700</u>	<u>\$ 842,031</u>	<u>\$ 838,689</u>
Plan fiduciary net position as a percentage of the total pension liability	58.00 %	58.08 %	54.62 %	53.60 %	53.16 %
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A

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

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MUNICIPAL EMPLOYEES PENSION PLAN
LAST FIVE FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 112,425	\$ 104,319	\$ 104,018	\$ 106,018	\$ 114,426
Contribution in relation to the actuarially determined contribution	<u>112,425</u>	<u>104,319</u>	<u>104,018</u>	<u>106,018</u>	<u>114,671</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 245)</u>
Covered-employee payroll	\$ 598,381	\$ 580,287	\$ 652,649	\$ 702,696	\$ 702,696
Contributions as a percentage of covered-employee payroll	18.79 %	17.98 %	15.94 %	15.09 %	16.32 %

Notes to Schedule

Valuation date: July 1, 2017
Measurement date: June 30, 2018
Actuarially determined contribution rates are calculated as of June 30, 30 months prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization period	Level percentage of payroll, closed
Remaining amortization period	23 years
Asset valuation method	Fair market value
Inflation	2.25%
Salary increases	4.00% per annum
Investment rate of return	7.00%
Cost of living adjustments	N/A
Retirement age	65
Mortality	RP-2000 Combined Healthy Mortality projected per Scale AA.

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

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
VOLUNTEER FIRE COMPANY PENSION PLAN
LAST FIVE FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 111,334	\$ 128,000	\$ 140,376	\$ 100,000	\$ 83,100
Contribution in relation to the actuarially determined contribution	<u>111,334</u>	<u>128,000</u>	<u>140,376</u>	<u>100,000</u>	<u>83,100</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

Valuation date: July 1, 2017
Measurement date: June 30, 2018
Actuarially determined contribution rates are calculated as of June 30, 30 months prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization period	Level percentage of payroll, closed
Remaining amortization period	23 years
Asset valuation method	Fair market value
Inflation	2.25%
Salary increases	N/A
Investment rate of return	7.00%
Cost of living adjustments	N/A
Retirement age	65
Mortality	RP-2000 Combined Healthy Mortality projected per Scale AA.

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

**TOWN OF KILLINGWORTH, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 TOWN'S PENSION PLANS
 LAST FIVE FISCAL YEARS**

	2018	2017	2016	2015	2014
Annual money weighted rate of return, net of investment expenses					
Municipal Employees Plan	4.61 %	8.22 %	-0.37 %	-0.33 %	13.94 %
Volunteer Fire Company Plan	4.79	8.39	-0.73	0.12	13.35

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

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF CHANGES IN THE TOWN'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FISCAL YEAR**

	2018
Total OPEB liability	
Service cost	\$ 7,379
Interest	4,721
Differences between expected and actual experience	(10,860)
Effect of assumptions changes or inputs	(4,403)
Net change in total OPEB liability	(3,163)
Total OPEB liability - beginning	130,415
Total OPEB liability - ending	\$ 127,252
Covered-employee payroll	\$ 304,706
Net OPEB liability as a percentage of covered-employee payroll	41.76 %

Notes to Schedule

Change in Benefits Terms	None
Change of Assumptions	None

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

**TOWN OF KILLINGWORTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2018**

	Special Revenue									Total Nonmajor Governmental Funds	
	Dog Fund	The Attie Fund	Town Clerk Record Preservation	Town Clerk Record Surcharge	Fire Protection Fund	Helping Hands	Friendly Fund	Parmelee Farm	Community Gardens	Total Special Revenue	
ASSETS											
Cash and cash equivalents	\$ 43,328	\$ -	\$ 3,048	\$ 1,331	\$ 15,149	\$ 9,821	\$ 3,039	\$ 37,301	\$ -	\$ 113,017	\$ 113,017
Total assets	<u>\$ 43,328</u>	<u>\$ -</u>	<u>\$ 3,048</u>	<u>\$ 1,331</u>	<u>\$ 15,149</u>	<u>\$ 9,821</u>	<u>\$ 3,039</u>	<u>\$ 37,301</u>	<u>\$ -</u>	<u>\$ 113,017</u>	<u>\$ 113,017</u>
LIABILITIES AND FUND BALANCE											
Liabilities:											
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:											
Restricted	43,328	-	3,048	1,331	15,149	9,821	3,039	37,301	-	113,017	113,017
Total fund balance	<u>43,328</u>	<u>-</u>	<u>3,048</u>	<u>1,331</u>	<u>15,149</u>	<u>9,821</u>	<u>3,039</u>	<u>37,301</u>	<u>-</u>	<u>113,017</u>	<u>113,017</u>
Total liabilities and fund balance	<u>\$ 43,328</u>	<u>\$ -</u>	<u>\$ 3,048</u>	<u>\$ 1,331</u>	<u>\$ 15,149</u>	<u>\$ 9,821</u>	<u>\$ 3,039</u>	<u>\$ 37,301</u>	<u>\$ -</u>	<u>\$ 113,017</u>	<u>\$ 113,017</u>

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

	Special Revenue									Total Nonmajor Governmental Funds	
	Dog Fund	The Attie Fund	Town Clerk Record Preservation	Town Clerk Record Surcharge	Fire Protection Fund	Helping Hands	Friendly Fund	Parmelee Farm	Community Gardens		Total Special Revenue
REVENUES											
Intergovernmental	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ 4,000
Licenses, permits and fees	9,541	-	2,143	792	-	-	-	-	-	12,476	12,476
Charges for goods and services	-	-	-	-	-	-	16,115	90	-	16,205	16,205
Miscellaneous	-	-	-	-	-	8,379	1,937	319	-	10,635	10,635
Total revenues	<u>9,541</u>	<u>-</u>	<u>6,143</u>	<u>792</u>	<u>-</u>	<u>8,379</u>	<u>1,937</u>	<u>16,434</u>	<u>90</u>	<u>43,316</u>	<u>43,316</u>
EXPENDITURES											
Current:											
General government	-	-	5,225	1,000	-	-	-	-	-	6,225	6,225
Public safety	28,453	-	-	-	-	-	-	-	-	28,453	28,453
Community services	-	-	-	-	-	-	5,938	-	-	5,938	5,938
Welfare	-	-	-	-	-	7,272	4,422	-	-	11,694	11,694
Total expenditures	<u>28,453</u>	<u>-</u>	<u>5,225</u>	<u>1,000</u>	<u>-</u>	<u>7,272</u>	<u>4,422</u>	<u>5,938</u>	<u>-</u>	<u>52,310</u>	<u>52,310</u>
Excess of revenues over (under) expenditures	(18,912)	-	918	(208)	-	1,107	(2,485)	10,496	90	(8,994)	(8,994)
OTHER FINANCING SOURCES (USES)											
Operating transfers in	23,998	-	-	-	-	-	2,624	-	-	26,622	26,622
Operating transfers out	-	(3,998)	-	-	-	-	-	(2,624)	(6,622)	(6,622)	
Total other financing sources (uses)	<u>23,998</u>	<u>(3,998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,624</u>	<u>(2,624)</u>	<u>20,000</u>	<u>20,000</u>	
Excess of revenues and other financing sources over (under) expenditures	5,086	(3,998)	918	(208)	-	1,107	(2,485)	13,120	(2,534)	11,006	11,006
Fund balance, July 1, 2017	<u>38,242</u>	<u>3,998</u>	<u>2,130</u>	<u>1,539</u>	<u>15,149</u>	<u>8,714</u>	<u>5,524</u>	<u>24,181</u>	<u>2,534</u>	<u>102,011</u>	<u>102,011</u>
Fund balance, June 30, 2018	<u>\$ 43,328</u>	<u>\$ -</u>	<u>\$ 3,048</u>	<u>\$ 1,331</u>	<u>\$ 15,149</u>	<u>\$ 9,821</u>	<u>\$ 3,039</u>	<u>\$ 37,301</u>	<u>\$ -</u>	<u>\$ 113,017</u>	<u>\$ 113,017</u>

**TOWN OF KILLINGWORTH, CONNECTICUT
 AGENCY FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2018**

	<u>Tax Sale Fund</u>	<u>Parmelee Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	<u>\$ 809</u>	<u>\$ -</u>	<u>\$ 809</u>
Total Assets	<u><u>\$ 809</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 809</u></u>
LIABILITIES			
Due to other groups	<u>\$ 809</u>	<u>\$ -</u>	<u>\$ 809</u>
Total Liabilities	<u><u>\$ 809</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 809</u></u>

**TOWN OF KILLINGWORTH, CONNECTICUT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018**

	Tax Sale Fund			Balance June 30, 2018
	Balance July 1, 2017	Additions	Deductions	
ASSETS				
Cash and cash equivalents	\$ 748	\$ 1,059	\$ 998	\$ 809
Total assets	<u>\$ 748</u>	<u>\$ 1,059</u>	<u>\$ 998</u>	<u>\$ 809</u>
LIABILITIES				
Due to other groups	\$ 748	\$ 1,059	\$ 998	\$ 809
Total liabilities	<u>\$ 748</u>	<u>\$ 1,059</u>	<u>\$ 998</u>	<u>\$ 809</u>
Parmelee Fund				
	Parmelee Fund			Balance June 30, 2018
	Balance July 1, 2017	Additions	Deductions	
ASSETS				
Cash and cash equivalents	\$ 1	\$ -	\$ 1	\$ -
Total assets	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>
LIABILITIES				
Due to other groups	\$ 1	\$ -	\$ 1	\$ -
Total liabilities	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>
TOTAL AGENCY FUNDS				
	TOTAL AGENCY FUNDS			Balance June 30, 2018
	Balance July 1, 2017	Additions	Deductions	
ASSETS				
Cash and cash equivalents	\$ 749	\$ 1,059	\$ 999	\$ 809
Total assets	<u>\$ 749</u>	<u>\$ 1,059</u>	<u>\$ 999</u>	<u>\$ 809</u>
LIABILITIES				
Due to other groups	\$ 749	\$ 1,059	\$ 999	\$ 809
Total liabilities	<u>\$ 749</u>	<u>\$ 1,059</u>	<u>\$ 999</u>	<u>\$ 809</u>

**TOWN OF KILLINGWORTH, CONNECTICUT
RESERVE FOR CAPITAL AND NONRECURRING EXPENDITURES FUND
SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2018**

	Fund Balance July 1, 2017 as restated	Transfers In from the General Fund	Fund Balance Designations	Interest And Other Income	Grant Revenue	Expenditures	Project Close-Outs	Fund Balance June 30, 2018
Committed:								
Continuing Projects:								
Assessor - revaluation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Open space acquisition	13,008	-	-	-	-	-	-	13,008
Parmelee Facilities improvements	23,847	-	-	100	-	(15,704)	(501)	7,742
Stage and Amphitheater	-	-	5,000	-	-	(3,300)	-	1,700
School House stabilization	-	-	12,000	-	-	(12,501)	501	-
Stonewall repair	-	-	6,000	-	-	-	-	6,000
Patio pavers	-	-	5,000	-	-	-	-	5,000
Sugar House	-	-	1,863	10,137	-	(600)	-	11,400
IT upgrades	3,812	-	37,000	-	-	(29,371)	(5,000)	6,441
KVFC radio infrastructure upgrade	46,317	-	-	-	-	(46,317)	-	-
KVFC self contained breathing apparatus	29,521	-	-	-	-	(6,646)	-	22,875
KVFC Station 2 overhead doors and roof repairs	10,790	-	-	-	-	(10,790)	-	-
KVFC extraction equipment	663	-	-	-	-	(475)	(188)	-
KVFC Class A pumper truck	642,997	-	-	-	-	(422,000)	-	220,997
KVFC turnout gear washer and dryer	-	-	13,000	-	-	(13,000)	-	-
KVFC hose replacement	-	-	30,000	-	-	-	-	30,000
Highway department small mason dump with plow	13,929	-	-	-	-	(2,208)	(11,721)	-
Highway department 3 pt. hitch blower	-	-	6,000	-	-	-	(6,000)	-
Highway department 2017 John Deere tractor and mower	-	-	80,000	-	-	(74,315)	(5,685)	-
Highway department re-roof public works garage	-	-	35,000	-	-	(35,640)	640	-
Highway department concrete floor repair PW garage	-	-	20,000	-	-	-	-	20,000
Sheldon Park improvements	3,000	-	-	-	-	-	(3,000)	-
Sheldon Park playground	10,567	-	-	-	-	(2,719)	(7,848)	-
KRP playground	954	-	35,000	-	-	(40,969)	5,015	-
Baseball field - KRP phase II	250,000	-	-	-	-	-	(250,000)	-
Sheldon Park ADA paths	20,823	-	-	-	-	(21,932)	1,109	-
Transfer Station- grading	20,000	-	-	-	-	(11,044)	(8,956)	-
Library building repairs	2,433	-	-	-	-	(2,446)	13	-
THC - barn rehabilitation	99,700	-	-	-	-	(400)	-	99,300
THC - repairs to modulars	400,000	-	-	-	-	-	(300,000)	100,000
	<u>1,592,361</u>	<u>-</u>	<u>285,863</u>	<u>10,237</u>	<u>-</u>	<u>(752,377)</u>	<u>(591,621)</u>	<u>544,463</u>
Road Projects:								
County Road - paving	115,000	-	-	-	-	(113,462)	(1,538)	-
Green Hill Road - paving	11,456	-	-	-	-	(11,423)	(33)	-
Dogwood Knoll - repair, binder, paving	(47,429)	-	-	-	-	(3,791)	51,220	-
County Road - entrance	23,829	-	-	-	-	(23,706)	-	123
Alders Bridge Road - phase 2	-	-	350,000	-	-	(346,365)	-	3,635
County Road bridge - phase 2	-	-	50,000	-	-	-	-	50,000
Lower Roast Meat Hill Road - drainage	-	-	250,000	-	-	(9,196)	-	240,804
Little City, Jackson & Old Durham Roads - paving	-	-	272,000	-	-	(263,565)	(8,435)	-
Schnoor Road - chip seal	-	-	59,000	-	-	-	-	59,000
Sugar Hill Road - pave	-	-	32,000	-	-	(32,093)	93	-
	<u>102,856</u>	<u>-</u>	<u>1,013,000</u>	<u>-</u>	<u>-</u>	<u>(803,601)</u>	<u>41,307</u>	<u>353,562</u>
Sinking Funds:								
Sick/vacation payout at retirement	20,065	-	20,000	-	-	-	-	40,065
Capital surcharge account	29,674	-	-	2,376	-	-	-	32,050
	<u>49,739</u>	<u>-</u>	<u>20,000</u>	<u>2,376</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,115</u>
Total Committed Fund Balance	1,744,956	-	1,318,863	12,613	-	(1,555,978)	(550,314)	970,140
Assigned Fund Balance	768,215	750,000	(1,318,863)	6,634	301,951	-	550,314	1,058,251
Total Fund Balance	<u>\$ 2,513,171</u>	<u>\$ 750,000</u>	<u>\$ -</u>	<u>\$ 19,247</u>	<u>\$ 301,951</u>	<u>(\$ 1,555,978)</u>	<u>\$ -</u>	<u>\$ 2,028,391</u>

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2018**

Grand List Year	Uncollected Taxes July 1, 2017	Current Year Levy	Lawful Corrections		Transfers To Suspense	Taxes Collectible	Actual Cash Collections				Uncollected Taxes June 30, 2018
			Additions	Deductions			Taxes	Interest	Liens & Fees	Total	
2016	\$ -	\$ 19,030,117	\$ 19,591	\$ 63,728	\$ -	\$ 18,985,980	\$ 18,890,623	\$ 48,802	\$ 1,998	\$ 18,941,423	\$ 95,357
2015	102,872	-	311	2,835	-	100,348	75,545	16,297	338	92,180	24,803
2014	34,483	-	-	909	24,672	8,902	8,616	3,070	72	11,758	286
2013	260	-	-	-	-	260	-	-	-	-	260
2012	271	-	-	-	-	271	-	-	-	-	271
2011	271	-	-	-	-	271	-	-	-	-	271
2010	661	-	-	-	-	661	-	-	-	-	661
2009	609	-	-	-	-	609	-	-	-	-	609
2008	609	-	-	8	-	601	-	-	-	-	601
2007	610	-	-	-	-	610	-	-	-	-	610
2006	616	-	-	-	-	616	-	-	-	-	616
2005	1,441	-	-	-	-	1,441	-	-	-	-	1,441
2004	-	-	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-	-	-
Total	<u>\$ 142,703</u>	<u>\$ 19,030,117</u>	<u>\$ 19,902</u>	<u>\$ 67,480</u>	<u>\$ 24,672</u>	<u>\$ 19,100,570</u>	<u>\$ 18,974,784</u>	<u>\$ 68,169</u>	<u>\$ 2,408</u>	<u>\$ 19,045,361</u>	<u>\$ 125,786</u>

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2018**

Total tax collections, (including interest, penalties and late payment of taxes) for immediate preceding fiscal year \$ 18,780,972

State reimbursement for revenue loss on tax relief for elderly under CGS Sections 12-129 and 7-528 for immediate preceding fiscal year -

Annual Receipts From Taxation \$ 18,780,972

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2-1/4 times base	\$ 42,257,187	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	84,514,374	-	-	-
3-3/4 times base	-	-	70,428,645	-	-
3-1/4 times base	-	-	-	61,038,159	-
3 times base	-	-	-	-	56,342,916
Total Debt Limitation	<u>42,257,187</u>	<u>84,514,374</u>	<u>70,428,645</u>	<u>61,038,159</u>	<u>56,342,916</u>
Indebtedness:					
Regional School District #17 bonds	-	4,940,643	-	-	-
General obligation bonds	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>3,000,000</u>	<u>4,940,643</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 39,257,187</u>	<u>\$ 79,573,731</u>	<u>\$ 70,428,645</u>	<u>\$ 61,038,159</u>	<u>\$ 56,342,916</u>
Total capacity for borrowing (7 times base)		\$ 131,466,804			
Total present indebtedness		<u>7,940,643</u>			
Margin for additional borrowing		<u>\$ 123,526,161</u>			

Note:

The Town of Killingworth is a member of Regional School District #17 which provides education facilities for grades kindergarten through twelve for the Towns of Haddam and Killingworth. As of June 30, 2018, based on the most current and available information, the indebtedness of the District was \$12,100,000. The Town of Killingworth's share will be 40.83176% of the debt, or \$4,940,643. These are the general obligations of Regional School District #17 and its member towns.

SEWARD AND MONDE

CERTIFIED PUBLIC ACCOUNTANTS
296 STATE STREET
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INDEPENDENT AUDITORS' 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

To the Honorable Members of
the Board of Finance
Town of Killingworth, Connecticut

We have audited, in accordance with U.S. generally accepted auditing standards 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 Killingworth, Connecticut (the Town) , as of and for the year ended June 30, 2018, and the notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated November 21, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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'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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Seward and Monde

North Haven, Connecticut
November 21, 2018

SEWARD AND MONDE

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT ACT

To the Honorable Members of
the Board of Finance
Town of Killingworth, Connecticut

Report on Compliance for Each Major State Program

We have audited the Town of Killingworth, Connecticut's (the Town) 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's major state programs for the year ended June 30, 2018. The Town'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 each of its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town'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 U.S. generally accepted auditing standards; 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'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's compliance.



Opinion on Each Major State Program

In our opinion, the Town of Killingworth, 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, 2018.

Report on Internal Control Over Compliance

Management of the Town 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 's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine our 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'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 a 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 the 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 requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Seward and Monde

North Haven, Connecticut
November 21, 2018

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2018**

State Grantor/Pass-Through Grantor/Program Title	State Grant Program Core-CT Number	Expenditures
Office of Policy and Management:		
Payment in lieu of taxes on state-owned property	11000-OPM20600-17004	\$ 48,005
Property tax relief for veterans	11000-OPM20600-17024	5,274
Property tax reimbursement - disabled exemption	11000-OPM20600-17011	294
Municipal grants-in-aid	12052-OPM20600-43587	5,148
Local capital improvement program	12050-OPM20600-40254	256,133
Department of Transportation:		
Town aid road grants transportation fund	12052-DOT57131-43455-34005	125,909
Town aid road grants transportation fund	13033-DOT57131-43459-34005	125,908
		<u>251,817</u>
Department of Energy and Environmental Protection:		
CT bikeway, pedestrian, recreational rail and greenway program	12052-DEP43000-43314	45,818
Department of Education:		
Youth service bureau	11000-SDE64000-17052	14,000
Youth service bureau enhancement	11000-SDE64000-16201	4,639
CT State Library:		
Historic document preservation grants	12060-CSL66094-35150	4,000
Judicial Department:		
Judicial restitution	34001-JUD95162-40001	905
		<u>636,033</u>
Total State Financial Assistance Before Exempt Programs		
Exempt Programs:		
Department of Education:		
Education cost sharing	11000-SDE64000-17041	1,885,954
Office of Policy and Management:		
Mashantucket Pequot and Mohegan fund grant	12009-OPM20600-17005	15,190
		<u>1,901,144</u>
Total Exempt Programs		<u>1,901,144</u>
Total State Financial Assistance		<u>\$ 2,537,177</u>

See note to schedule of expenditures of state financial assistance

TOWN OF KILLINGWORTH, CONNECTICUT
NOTE TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2018

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Town of Killingworth, Connecticut under programs of the State of Connecticut for the fiscal year ended June 30, 2018. Various departments and agencies of the State of Connecticut have provided financial assistance 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, road maintenance, property tax relief and youth services.

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Killingworth, Connecticut conform to U.S. 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 expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, 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 KILLINGWORTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2018**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' opinion issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? yes no

State Financial Assistance

Internal control over major programs:

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

Type of auditors' 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 no

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

State Grantor and Program	State Core CT Number	Expenditures
Office of Policy and Management:		
Local Capital Improvement Program	12050-OPM20600-40254	\$ 256,133
Department of Transportation:		
Town Aid Road Grants Transportation Fund	12052-DOT57131-43455-34005	125,909
Town Aid Road Grants Transportation Fund	13033-DOT57131-43459-34005	125,908
		251,817

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

. . . Continued . . .

TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2018
. . . Continued . . .

II. FINANCIAL STATEMENT FINDINGS

There are no financial statement findings.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

There are no state financial assistance findings or questioned costs.

