

Town of Killingworth, Connecticut

**ANNUAL REPORT:
Fiscal Year 2020-2021**



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Board of Finance

Overview: 2020-2021 Financial Results

Board of Finance

Gwenne Celmer, Chairman

Robert Rimmer, Vice Chairman

Marcel T. Couture, Clerk

Andrew O'Neill

Annie K. Stirna

Douglas Lefko

Board of Finance Operating Budget Allocation - \$28,700

Board of Finance Operating Expenditures - \$28,244

- \$25,500 Audit Expense
- \$1,034 Secretary
- \$1,710 Publication of Annual Budget
- - Publication of Annual Report

Town of Killingworth Operating Budget

At the close of FY 20/21, Killingworth's operating expenditures totaled \$22,018,279. Approximately 70% (\$15,314,432) of these expenditures went to Killingworth's portion of the Regional School District 17 budget and approximately 30% (\$6,703,847) 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 FY 20/21 unassigned general fund balance decreased by \$42,349 or 0.8% to \$5,383,917. The fund balance remained equal to more than 2 ½ months of regular general fund operating expense, which meets the recommendation of the Government Finance Officers Association and insulates our town from interruptions in revenue. The mill rate for FY 20/21 remained at the same level as FY 19/20: 26.72.

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. The town approved \$1,845,385 in capital projects for FY 20/21: 75.6% (\$1,395,145) for Road improvements; 10.2% (188,000) for Public Works vehicles; 6.9% (128,000) for Public Safety; 4.9% (90,000) for revaluation and 2.4% (\$44,240) for Facilities.

Summary

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 or imperiling the town's ability to respond to unforeseen contingencies. 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 Town of Killingworth as of June 30, 2021, 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

ASSESSOR'S OFFICE

Fiscal Year 2020-2021	2020-2021
2020 Grand List	
2020-2021 Capital Expenditures:	

Assessor Michael Bekech
 Asst 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, subdivision, new businesses and motor 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 Fire Fighter Abatements. The October 1, 2016 Grand List was the last Revaluation Year.

The data presented compares the Grand List of October 1, 2020 to the Grand List of October 1, 2019 and shows the fluctuations in the the taxable Grand List across each component of the Tax base.

The comparison follows:

	Real Property	Personal Property	Motor Vehicles	Totals
2020 Grand List				
Gross Taxable	\$ 632,886,310	\$ 18,610,280	\$ 66,278,380	\$ 717,774,970
Exemptions	\$ 1,330,500	\$ 978,750	\$ 236,110	\$ 2,545,360
Net Taxable	\$ 631,555,810	\$ 17,631,530	\$ 66,042,270	\$ 715,229,610
2019 Grand List				
Gross Taxable	\$ 632,078,950	\$ 16,698,940	\$ 62,263,850	\$ 711,041,740
Exemptions	\$ 1,304,000	\$ 988,550	\$ 280,080	\$ 2,572,630
Net Taxable	\$ 630,774,950	\$ 15,710,390	\$ 61,983,770	\$ 708,469,110

Year to Year Grand List Comparison

Change Summary	Real Property	Personal Property	Motor Vehicles	Totals
Gross taxable	\$ 807,360	\$ 1,911,340	\$ 4,014,530	\$ 6,733,230
Gross Percent Change	0.13%	11.45%	6.45%	0.9
Net Change to GL	\$ 780,860	\$ 1,921,140	\$ 4,058,500	\$ 6,760,500
Net Percent change	0.12%	12.23%	6.55%	0.9

Killingworth Top 10 Net Assessments for the 10/1/2019 Grand List

Real Estate	Net Total Assessment
Eversource Inc dba Ct Light and Power	\$ 10,957,820
Sun Beachwood Community	\$ 5,751,337
Connecticut Water Company	\$ 3,674,780
Pattaconk Farm LLC	\$ 1,996,100
Andeson, Norma R Trustee	\$ 1,986,260
M & M holdings LLC	\$ 1,867,520
Roman Laura	\$ 1,307,230
KTV Cost Family Limited Partnership	\$ 1,156,580
Comcast of Ct Inc	\$ 1,129,770
Toyota Lease trust	\$ 1,096,732
TOTAL TOP 10	\$ 30,924,129
NET TAXABLE 2020 GRAND LIST	\$ 715,229,610
TOP 10 AS % OF GRAND LIST	4.32%

Board of Assessment Appeals

(2020-21 FY Annual Report)

Matthew T. Stillman (D – Chair), Julie Phelps (R Secretary), Carolyn Anderson (D-member)

Financial Highlights

Town of Killingworth Budget Allocation \$500.00

THE BAA has no income other than the Town Budget

Operating Expenditures:

The BAA has the statutory obligation of publishing the committee's meeting notice dates for both the Spring and Fall meetings. The Board has a statutory obligation also to provide a small stipend annually to each board member. The Board typically provides a \$50 annual stipend to each member.

The only other expenses would be the cost of photocopying, mailings and other documents deemed necessary for the meetings. These and salaries of Town assessment staff who assist us are typically provided through the Assessor's line-item budget. No other expenses are regularly incurred.

Potential expenditure:

Various training seminars that are run by the Ct Assoc of Assessing Offices are sometimes attended by members

Key Activities and accomplishments:

The BAA runs two (2) appeal hears annually on behalf of Killingworth residents/taxpayers. The fall session is held in September primarily for the purpose of hearing appeals on motor vehicle assessments. The Spring session is to hear appeals for the Oct 1 GL for Real Property, Business Personal Property and Motor Vehicle appeals.

Respectfully submitted by

Matthew T Stillman, Chairperson

Killingworth Board of Elections Registrar's Office

For the fiscal year 2020 ~ 2021

We had many challenges with COVID—the April 2020 Presidential Preference Primary was changed to June 2020, then changed again to August 11, 2020, to be held the same day of the State Primary.

A Primary Absentee Ballot application was sent to all Registered Democrats and Republicans voters allowing them to use COVID as an excuse

For the November election the State again sent out Absentee Ballot applications to all voters again allowing COVID as an excuse.

We held the following Primary, Referendums, and Elections

August 11, 2020, Democratic and Republican Presidential Preference Primary —
Democrats 665 voted 50% --Republicans 331 voters 24%

November 4, 2020 – Presidential -Statewide election 4390 voters at polls/Absentee Ballots 87.4%
-Election Day Voter Registration 20 new voters.

May 4, 2021, Regional School Budget Referendum/ Town Budget/Capital Budget
682 voters/ taxpayers voted 14%

Again, we were not able to hold an in-person High School Voter Registration. Along with the Registrar of Haddam we sent a letter and Voter registration cards to the school to send to all Seniors. It had information on how to register, either by sending in Registration cards or online, and also information on getting Absentee Ballots for the upcoming Elections.

ROVAC had the Spring and Fall meetings via ZOOM

As of June 30, 2021, there were 4895 registered active voters---
1341 D—1395 R—2084 U—75 other.

Nancy McCormick- Democratic Registrar

Lauren K. Blaha- Republican Registrar

Building Department

The Building Department had an increase in renovations, outbuildings, and pools during the 2020/2021 fiscal year due to Covid-19 restrictions. Homeowners were doing the staycations instead of traveling, hence, the uptick in permit activity.

Residential solar projects have been steady over the last few years. We continue to intergrade our permit Closure process with the Assessor's Office, to help in the ongoing property/business assessments.

<u>Category</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019-2020</u>	<u>2020-2021</u>
<i>Residential- Est. Val.</i>	\$ 2,904,355	\$ 5,809,417	\$ 4,838,095	\$ 4,936,903.49	\$ 8,370,780.64
<i>Commercial</i>	\$ 92,000	\$ 325,380	\$ 118,600	\$ 221,400	\$ 58,000
<i>Renovations</i>	\$2,202,000	\$ 2,149,022	\$2,226,327	\$ 3,774,512.40	\$ 3,638,981.86
TOTALS	\$5,198,355	\$ 8,283,819.70	\$ 7,183,053	\$ 8,932,815.89	\$ 12,067,762.50
<i>Revenues: Permit Fees</i>	\$ 87,419	\$ 137,549	\$ 108,004	\$ 126,363.33	\$ 168,220.98
<i>Certificates of Occupancy & Certificates of Completion</i>	39	92	129	181	172
<i>Building Permits Issued:</i>	429	470	533	490	709
<i>New Dwellings</i>	5*	10*	6*	7*	7*
<i>Commercial</i>	3	6	6	5	5
<i>Renovations/Additions</i>	120	123	129	156	156
<i>Barns/Sheds</i>	17	15	11	11	24
<i>Garages</i>	4	6	2	9	9
<i>Electrical</i>	94	116	139	104	205
<i>Plumbing</i>	59	68	93	55	89
<i>Mechanicals</i>	93	89	108	84	146
<i>Pools</i>	11	9	4	16	23
<i>Wood Stoves</i>	1	1	7	19	12
<i>Solar</i>	11	13	18	19	22
<i>Demolition Permits</i>	5	7	4	5	6

***replacement mobile homes no longer included**

Respectfully submitted by: Jerry Russ, Acting Building Official

Fire Marshal

2020-2021

	STIPEND	EXPENSES
BUDGET	\$20,000	\$3,700
ACTUALS	\$20,000	\$3,598

Fire Marshal: Dennis Campbell

Deputy Fire Marshals: Jim McDonald (Full Authority), Jeff Hesel (Investigation Only)

The Local Fire Marshal's responsibility is defined by Connecticut General Statute and is broken up into 2 main categories. First, is to enforce the Connecticut State Fire Safety and Prevention Codes, which apply to every occupancy within the town except one- and two-family dwellings. These codes require plan review and inspections of new commercial buildings as well the ongoing inspections of occupancies to ensure continued compliance. The Fire Marshal works with the Building Official and is required to sign off on all commercial building permits and Certificates of Occupancy.

Secondly, the Local Fire Marshal must investigate the origin, cause, and circumstances of all fires and explosions that they are notified of. These investigations must be reported to the Federal Emergency Management Agency (FEMA) via the National Fire Incident Reporting System (NFIRS). This information is used for research and analysis of fire and EMS incidents.

2020-2021	#
Blasting Permits Issued	1
County Meetings, CFMA, IAAI	10
Fire Code Consultation	7
Fire Code Inspections / Reinspection's	46

Fire Prevention Activities	1
Fire Safety Systems Tests	5
Fireworks Permits/Show	0
Origin & Cause Investigation Reports	8
Liquor License Certs	3
Office/Administrative Hours	431.5
Other Permits/Certifications Issued	1
Plans Review	8
Public Service calls	3
Training Attended Hours	150

Respectfully Submitted by Dennis Campbell

Health Department

FY 20/21

Amy Scholz, MPH, RS, Director of Health

FINANCIAL HIGHLIGHTS:

Operating Budget Allocation	\$62,356
Other Revenues:	
Permits, licenses and fees	\$12,525
Operating Expenditures	\$75,065

KEY ACTIVITIES AND ACCOMPLISHMENTS:

- Covid-19 response:
 - Contact Tracing utilizing statewide contract tracing system.

- Worked with schools, daycares, sports teams, businesses etc. to review covid protocols and assist with review of quarantine/isolation guidance.
- Participated in Regional, State and National calls to facilitate response locally.
- Enforced sector rules.
- Partnered with Community Health Center to stand up Covid-19 vaccination clinic at fire station.
- Stood up Covid phonenumber to answer questions about vaccinations when vaccination role out began. Staffed phone lines with volunteers including PHA members.
- Promoted CT River Area Health District Drive through vaccination clinic.
- Per/Polyfluoroalkyl substances (PFAS) response after notification that water supply wells in Killingworth testing above the action level for PFAS in water. Coordinated with Department of Public Health and Department of Energy and Environmental Protection to respond. Held in person and virtual meetings with residents, provided information/materials on website.
- Conducted soil testing, reviewed plans, and inspected septic system installations.
- Performed regulatory 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.
- Investigated public health complaints (e.g. substandard housing, accumulation of trash and debris, water pollution, mosquito breeding etc.) and ordered corrections when necessary.
- Issued press releases on topics such as West Nile Virus/tickborne diseases
- Examined options to build a health department with more staffing/resources to meet increasing demands. Looked into options for joining a health district.
- Participated in the CT Association of Directors of Health Advocacy Committee.
- Distributed free radon test kits provided by the CT DPH.
- Accepted ticks for submittal to the CT Agricultural Experiment Station.
- 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.

Health Department Annual Report FY 20/21: Permits and Inspections

Category	15/16	16/17	17/18	18/19	19/20	20/21
Soil Testing (# lots)	31	25	22	26	30	24
New Septic System Permits	4	5	8	8	4	10
Septic Repairs	24	23	19	19	24	19
Subdivision/Lot Line Review	17	1	0	2	1	1
Well Permits	8	13	19	9	13	6

Complaints	3	4	4	3	3	*
Permits to discharge	397	230	269	939	240	791
19-13-B100a Reviews	47	59	52	19	27	51
Temp. Food Permits	41	33	36	21	8	2
Temp. Food Inspections	38	22	23	25	11	2
Food Establishment Inspections	53	54	58	60	76	4
Salon Inspections	*	7	4	6	2	0
Daycare Inspections	*	*	*	*	0	3
Water Treatment Wastewater	*	*	*	*	4	6

* Data not availab

Helping Hands Food Pantry of Killingworth

Fiscal report: 2020/2021

Manager: Kelly Leach

Staffed by volunteers of the Killingworth Women's Org. (KWO)

\$1000 was budgeted by the town for helping Hands and was not spent.

Monetary donations (income): \$16149.61

Expenses: \$3375 gift cards and meat vouchers for holiday meal distributions
 \$2000 gift cards used to purchase groceries
 \$ 4645.36 directly to purchase groceries
 \$ 116.99 supplies

Helping Hands is the volunteer-run food assistance program in Killingworth. Monetary donations are collected though the town and through the KWO. Food donations are received from individuals, churches, civic groups, grocery stores, other food pantries and school organizations. The pantry distributed 55 holiday meals in April, in November and December which included non-perishables, dairy, produce, baked goods, meat and eggs. A meat voucher was given to those who chose not to receive meat directly. In addition, \$25 gift cards were distributed to each family.

The pantry is currently open 2 days a week for 2 hours each day and serves approximately 25 families each week an average of 75 lbs of food each. We also provide delivery if necessary.

Kelly Leach

Historic Review Committee

FY 2020-2021

MEMBERS AS OF JUNE 30, 2021

ELIZABETH DOYLE DISBROW

BRUCE DODSON

LUCINDA HOGARTY

JOSEPH T. HUTCHINS

DAVID D. MEIXELL

RACHEL SCHEMMERLING

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 the 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 FY 2020/21, the committee continued efforts to expand the committee's role in preserving historic properties in town, including supporting a proposed regulation regarding Accessory Historic Buildings.

DECISION: In the spring of 2021, the committee reviewed an application for demolition for a house at 270 Green Hill Road. The committee designated the house a "significant building," having met the three of the five qualifying criteria from Killingworth Code of Laws, Chapter 238-3.

A public hearing was held, and on June 17, 2021, the committee voted unanimously to designate the house a "preferably preserved" structure. The committee imposed a delay of demolition of 180 days from the receipt of the complete application for demolition.

Respectfully submitted by Elizabeth Doyle Disbrow, Chair

Killingworth Volunteer Fire Company

The Killingworth Volunteer Fire Company (KVFC) responded to a total of 412 incidents from July 1, 2020, through June 30, 2021, an decrease of 29 calls (7%) over the previous fiscal year. Response statistics for the year are as follows:

<u>Fire Calls (including Motor Vehicle Accidents):</u>	199
<u>Rescue Calls / Medical emergencies:</u>	<u>213</u>
Total:	412

During the year, KVFC operated on budget of \$136,201. The percentages of monies spent are as follows:

Apparatus Repairs & Maintenance	12.1%
Appreciation Dinner	4.4%
Building Repairs & Maintenance	6.1%
Dues & Subscriptions	5.1%
Electricity	6.8%
Equipment - Firefighting, Rescue & Medical	8.4%
Equipment Repairs & Maintenance	6.2%
Heating Oil & Propane	5.5%
Meeting Expenses	0.3%
OSH/NFPA Required Testing	11.1%
Physicals	10.9%
Secretarial Services & Supplies	1.2%
FF / Medical Supplies	0.6%
Telephone / Television	5.1%
Training & Education	13.9%
Waterhole Maintenance	2.3%
TOTAL	100.0%

Significant events of the 2020-2021 fiscal year include:

- In July 2020 Tropical Storm Isaias struck the area which resulted in 36 calls for service over a 3-day period, including 11 carbon monoxide incidents due to generators operating near residents' homes.

-
- In September 2020, the newly renovated Ready Room at Station 1 opened. This room allowed for social distancing and included new furniture that could be easily & regularly disinfected. Shortly thereafter a new access control system was implemented at both stations to better secure KVFC's facilities and provide more flexibility / accountability with individual's access to the stations.
 - Beginning in late December 2020, COVID-19 vaccines began to become available to first responders statewide. KVFC members with medical certifications were the first to have access to the vaccines, followed closely by the remainder of the KVFC members

Training / certifications completed during this time include:

- Two members certified as CT Fire Service Instructor II.
 - Three members are certified as CT Firefighter I.
 - One member certified as an Emergency Medical Technician (EMT) and one member certified as an Emergency Medical Responder (EMR).
 - Four members completed formal fire apparatus driver training followed by successfully obtaining their Q endorsement (the CT State endorsement that allows the member to drive fire apparatus).
- Five new members were voted for Probationary status and two members were voted into Active membership status.
- In April 2021, the Town of Killingworth passed an ordinance which now provides KVFC members with the maximum tax abatement allowed under CT State statute.

On a final note, we were saddened to mourn the loss of two former KVFC members during the year, David Dudek (Past Deputy Chief & Rescue Captain, Veteran member) in September 2020 and Veteran member Roger Sherman in October 2020.

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: Donald Venuti, III](#)

Board of Fire Commissioners Richard Darin, Chairman Donald Offner Jen Liptak

Municipal Agent

Mercedes Ricciuti, Municipal Agent to the Elderly

Financial Highlights

Town of Killingworth Operating Budget Allocation

\$10,100

Other revenues: The Municipal Agent oversees distribution of donated funds from the Friendly Fund for fuel payments and other individual resident needs

FY 20/21 Expenditures: \$10,967

Key Activities and accomplishments

Assists town residents by providing information and referrals for state services and benefit programs but is not authorized to approve anyone for the programs.

Helps residents whose income falls at or below federal poverty guidelines to apply for:

FUEL ASSISTANCE: The Municipal Agent fills out the application for the Connecticut Energy Assistance Program (CEAP) based on required information provided by Killingworth residents. This program helps offset winter heating costs from November 15 to March 15. About 60 Killingworth households participated in the program..

ELDERLY/DISABLED RENTER/S REBATE: A yearly rebate check for low-income renters. The Beechwood community qualifies because of the land rent fee. The amount of the rebate is based on income and certain utility expenses

Respectfully submitted by:

Mercedes Ricciuti, Municipal Agent to the Elderly

Municipal Animal Control

Marian Smith, Animal Control Officer

Financial Highlights

Revenue

Town of Killingworth Operating Budget Allocation	\$10,000	
Other revenues		
Licenses		
\$ 6,648		
Redemptions		\$ 85
Animal Population Control	\$ 2,186	
Combined		\$18,911

Expenditures

Animal Control Officer	\$20,433	
State of Connecticut	\$ 4,316	
ACO & Shelter Expenses	\$ 2,984	
Veterinarian Expenses	\$ 237	
License & postage	\$ 448	
Training		
\$ 21		
Combined		\$28,438

Net

(\$9,527)

Additional information regarding Dog Fund and other Nonmajor governmental funds can be found in the exhibits "Balance Sheet" and "Statement of Revenue, Expenses and Changes in Fund Balances", pages 69 and 70 of the annual audit. Dog Fund balance is used to cover the shortfall. As of June 30, 2021 was \$14,543; a reduction of \$9,527.

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 41 delinquencies. In addition to those dogs impounded, Animal Control also reunited numerous lost dogs with their owners avoiding impoundment.

The following activity occurred during the 20-21 Fiscal Year:

Licenses Issued	924	
Complaints Investigated	217	
Animal Bites	6	
Infractions Issued (State Statute Violations)	8	
Impoundments	4	
Placed as pets	1	
Euthanized	2	
DOA		0

Respectfully submitted by:

Marian Smith, Animal Control Officer

KILLINGWORTH MUNICIPAL HISTORIAN

TOWN OFFICE BUILDING
323 ROUTE 81
KILLINGWORTH, CONNECTICUT 06419-1298

Annual Report 2020-2021

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 but can tell you how to do it. The municipal historian acts as an advisor to the Historic Review Committee.

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 on the history of the Town. Exhibits are usually set up at the Parmelee house for viewing by the public on days during the summer. The exhibit in 2021 was "Yesterday's Everyday Items That Have Become Obsolete" with many items from Killingworth and the surrounding area. Donations to the Historical Society of items pertaining to Killingworth's history are welcomed.

The Municipal Historian has written books on the history of Killingworth. The newest is *The Early Gravestones of a Colonial Town: Killingworth, Connecticut*. Others are *History of The Congregational Church in Killingworth, Connecticut*; a *Timeline of the History of Killingworth Connecticut 1600-2017*, second edition; and *A Photographic History of Killingworth*. These books benefit the Killingworth Historical Society and are available at the Town Hall and the Historical Society.

Respectfully submitted by Thomas L. Lentz, Municipal Historian

Parmelee Farm

*Committee Members: Tim Gannon (Chairman) Peg Scofield (Vice-Chairwoman)
Scott Hawkins, Linda Dudek, Chris Cronin, Terry Doyle, & Guy Vecchitto.*

Financial Highlights

Town of Killingworth Operating Budget Allocation

The amount budget allocated \$12,000.00

Operating Expenditures

Our total operating expenditure is \$10,766.00

This money was used for the following items to keep the Farm running: Gasoline for lawn mowers, General farm maintenance, Farm equipment repairs, Small tools & equipment, Security & internet, Eversource electricity, Porto Potty cleaning, Signage and Trash carting.

Capital Expenditures

No Capital money was allocated for this 2020-2021 fiscal year

Key Activities and accomplishments

The Parmelee Farm committee wishes to thank the dedicated volunteers for their hard work. This work continues to add to the usability of the property. The Parmelee Farm Committee uses its Master Plan, developed in 2010, and updated as needed as its guide for the continued improvements to the property. As the committee works to develop the property, additional modifications and improvements will be added as opportunities and needs present themselves.

Our dedicated small group of volunteers keep Parmelee Farm looking as good as it does for all our events by doing all the mowing of the fields every week during the season They also tend to all the minor repairs and farm maintenance as it's needed throughout the year.

The front Community Garden continues to welcome gardeners in its twelfth year. The "Shared Harvest Garden" is in its seventh 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.

The Parmelee Farm Community Sugar House, which is normally staffed by volunteers, but because of the Covid crisis, they decided not to operate for the safety of everyone involved. They teach visitors how Maple syrup is made. This was a very popular community involved activity at the Farm and has many local visitors during the sugaring season. These visitors also included Girl Scouts troops, as well as Boy Scout troops. We look forward to another successful season in 2022 of demonstrating and the making of maple syrup.

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, a nature fair, a Middlesex Farm Bureau Maple Day and car shows. The opportunities for community gatherings, education and recreation are endless, including weddings, a Town Picnic revival, farmer and artisan markets, Historical Society events, etc.

We encourage all of our community to enjoy this beautiful place, hopefully for generations to come.

Respectfully submitted by:

Tim Gannon (Chairman-Parmelee Farm Committee)

Killingworth Department of Public Works – Highway / Transfer Station

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

- *Highway Other* \$448,604
- *Snow* \$203,000
- *Cemetery* \$ 11,000
- *Wages* \$298,981
- *Sub-Total* \$961,585
- *Total Highway Operating Budget* \$ 961,585

Operating Expenditures

Total Highway Operating Expenditures FY- 20/21 were \$961,585

The Department was able to stay within the operating budget.

Was an active winter with 14 snow events with the first snowfall on Oct. 30th with 2 inches of snow

Capital Expenditures

The department's capital expenditure on equipment for FY 20/21 was \$188,000

The department's capital expenditure for Road Projects for FY 20/21 was \$808,145 for sectional overlay, reclaim and pave and Chip Seal. There was an additional \$587,000 capital for Bethke Rd. Culvert from the FEMA disaster, which we are going to receive 75% funding.

Key Activities and accomplishments

We continued with our road program by paving our roads from our Capital Plan and continued with our Chip Seal program to increase the life of our roads. We were able to install a new box culvert from the FEMA disaster and receive funding for it. We continue with our tree program addressing the high mortality rate of dead ash trees killed by EAB (Emerald Ash Borer) and other trees killed by the Gypsy Moth throughout the town. Each year we sweep roadside mow and plow and sand 70 miles of town roads as well as grade 7miles of gravel roads and pump out 1200 catch basins.

Town of Killingworth

Killingworth Department of Public Works –Transfer Station

Fran Harris, Supervisor; Martin Puhl, Attendant; Jose Torres, Attendant, Neal Peterson, Attendant

Financial Highlights

Town of Killingworth Operating Budget Allocation Transfer Station

- *Compactor Area Maintenance* \$ 75,890
- *Compaction, Carting & Disposal* \$ 114,250
- *Bulky Waste Disposal* \$ 79,390
- *Hazardous Waste Collection* \$ 11,600
- *Total* \$281,130

Operating Expenditures

Total Transfer Station Operating Expenditures FY- 20/21 were \$320,627.

Capital Budget

The transfer Station Capital Budget for FY 20/21 was \$20,000

Key Activities and accomplishments

The Town of Killingworth hauls our own trash, which amounted to for the FY 20-21 to 1,148.43 tons of MSW (Municipal Solid Waste), 676.88 tons of Bulky Waste, 247.82 tons of paper and 154.86 tons of bottles and cans.

Respectfully submitted by:

Walter Adametz

Road Foreman

Tax Collector's Office

Michele Nuhn, CCMC, CCMO, Tax Collector
Debbie Oehrle, Tax Clerk

Financial Highlights

Budgeted tax revenue	\$18,826,652.00
Actual tax revenue	\$19,185,445.73

Annual Report for Active Accounts

YEA R	BEGINNING BALANCE 7/01/20	LAWFUL INCREAS ES	LAWFUL DECREASES	SUSPENS ED	TAXES PAID	INTEREST PAID	LIENS/ FEES PAID	REFUND OF OVERPAY MENTS	RECEIVABLE BALANCE AS OF 6/30/21
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	285.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	285.90
2015	299.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	299.90
2016	12,872.47	0.00	0.00	0.00	11,607.77	7,482.48	120.00	0.00	1,264.70
2017	63,301.94	4.05	14.78	25,567.11	35,424.42	13,355.53	216.00	5.16	2,304.84
2018	164,901.22	724.24	1,116.93	0.00	125,308.15	28,766.88	456.00	723.62	39,924.00
2019	18,961,289.33	4,349.23	54,896.25	0.00	18,871,446.77	28,274.42	257.50	46,871.33	86,166.87

Annual Report for Suspended Accounts

YEAR	BEGINNING BALANCE OF SUSPENDED ACCOUNTS 07/01/20	LAWFUL INCREASES	LAWFUL DECREASES	ADDED TO SUSPENSE	TAXES PAID	INTEREST PAID	LIENS/ FEES PAID	REFUND OF OVERPAY MENTS	ENDING BALANCE OF SUSPENDED ACCOUNTS 6/30/21
2005	27,203.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27,203.59
2006	7,221.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,221.42
2007	7,447.38	0.00	0.00	0.00	570.78	1,250.01	0.00	0.00	6,876.60
2008	5,841.86	0.00	0.00	0.00	423.36	850.95	0.00	0.00	5,418.50
2009	9,851.54	0.00	0.00	0.00	222.81	412.49	0.00	0.00	9,628.73
2010	8,674.12	0.00	0.00	0.00	548.00	952.05	0.00	0.00	8,126.12
2011	18,333.29	0.00	0.00	0.00	5,619.77	1,820.11	0.00	0.00	12,713.52
2012	16,787.31	0.00	0.00	0.00	3,315.49	4,269.35	0.00	0.00	13,471.82
2013	18,278.52	0.00	0.00	0.00	3,251.60	3,891.20	0.00	0.00	15,026.92
2014	18,597.83	0.00	387.28	0.00	3,965.92	3,989.55	0.00	0.00	14,244.63
2015	19,975.52	0.00	14.89	0.00	7,305.20	4,210.76	0.00	0.00	12,655.43
2016	22,046.15	0.00	13.41	0.00	6,590.35	4,963.29	0.00	0.00	15,442.39
2017	0.00	0.00	0.00	25,567.11	2,880.78	1,425.99	0.00	0.00	22,686.33

Operating Budget Allocation \$86,573.00

Operating Expenditures

Salaries		\$ 74,095.58
Supplies	\$ 1,389.61	
Meetings and dues	\$ 389.91	
DMV fees	\$ 250.00	
Printing, software, technology	\$ 8,643.73	
Certification courses	\$ 25.00	
Other		<u>\$ 3.50</u>
Total expenditure is	\$ 84,797.33	

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 2,838 real estate bills, 346 personal property bills, 6,988 Motor vehicle bills, and 910 supplemental motor vehicle bills, for a total of 11,082 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, 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 2020-2021 fiscal year was \$19,185,445.73
 - Collection rate for the 2020-2021 fiscal year was 99.6926%.

Respectfully submitted by:
Michele Nuhn, CCMC, CCMO
Tax Collector

Town Clerk's Office

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

Financial Highlights

Town of Killingworth Operating Budget Allocation

(It should be noted that the COVID-19 global pandemic was declared in March, 2020, and continued throughout the 2020-2021 fiscal year.)

General Government	<u>Allocation</u>	<u>Expenditures*</u>
Town Clerk Office Salaries	136,488.00	130,744.00
Town Clerk		
Recording/Indexing	21,000.00	20,251.00
Mapping/Microfilming	500.00	431.00
Conference/school/mile	1,750.00	842.00
Supplies	1,250.00	968.00
Record Preservation	2,400.00	1,795.00
Codification/Ordinances	4,000.00	0.00
Total Town Clerk	30,900.00	24,287.00
Total General Government	167,388.00	155,031.00 ⁺
Unused Funds Returned to the Town		12,357.00

⁺ Only 93% of FY2020-2021 annual budget was expended

Operating Expenditures* (see above)

Capital Expenditures (not applicable)

Key Activities and accomplishments

- **Overview:** Although Killingworth Town Hall was closed to the public for part of the fiscal year due to COVID-19, the Town Clerk's Office remained staffed and operational. All responsibilities of the office were fulfilled within statutory and practical timeframes.

- **Land Records:** During the 2020-2021 fiscal year, 1651 land record documents were recorded (up 30% over the previous fiscal year), indexed and scanned into the Killingworth land records, and 6 survey maps and 11 property registrations were also filed and indexed in this office. Additionally, the Town Clerk's Office processed CT State Real Estate Conveyance Tax Returns (OP-236's) totaling \$481,171.46 in revenue for the State of CT.

- **Technology**
 - o The Town Clerk's Office continued to partner with CT-based NewVision Systems Corp. for recording, indexing and accessing the town's land records and vital records as well as processing dog licenses.

-
- The Town Clerk's Office also continued its relationship with ACI Universal Payments to accept credit card/debit card payments for all on-line land record copies and dog licensing fees with a minimal fee to the user.
 - A land records search terminal was available to the public in the Town Clerk's Office. Land records were 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 and print land record documents remotely. This remote access proved invaluable during the coronavirus pandemic.
 - The Town Clerk's Office staff continued 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.
 - Once again, the Town Clerk maintained "The Code" for the Town of Killingworth (available through the town website or on paper) incorporating the Town's Charter, Ordinances and Special Acts, Inland Wetlands and Watercourses Regulations, Road Regulations, Subdivision Regulations and Zoning Regulations into a single, searchable resource.
 - The Town Clerk's Office staff utilized the State of CT's on-line Election Management System for reporting of all election records and results (in conjunction with the ROV's).
 - To process the extremely high volume of absentee ballot applications submitted for the Democratic and Republican Presidential Preference Primaries and the Presidential Election, the Town Clerk's Office obtained access to the Connecticut Voter Registration System and installed a hand-held scanner and address label printer.
 - Town Clerk, Dawn Rees Mooney, also served 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 were sent to all registered dog owners to renew their registration. Licensing was completed by mail, online or in person.
 - This office issued 911 dog licenses, 13 kennel licenses and one guide dog license for the 2020-2021 license year.
 - **Official Town Meeting Schedule:** The Town Clerk's Office maintained 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 were 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. The majority of agency meetings were held via the GoToMeeting on-line platform due to COVID-19, with instructions and access codes posted on the meeting schedule with the agendas.
 - **Voters:** Residents could 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 2020-2021 fiscal year, the Town of Killingworth held both Democratic and Republican Presidential Preference Primaries and a Presidential Election. During both, a Governor's Executive Order allowed every registered CT voter to cast an absentee ballot due to the existence of COVID-19, and the Secretary of the State's Office mailed an absentee ballot application to every CT voter. Therefore, as the office responsible for managing all elections, primaries and referenda, the Town Clerk's Office was faced with and overcame an enormous challenge, processing an unprecedented 712 absentee ballots for the

August primaries and 1677 absentee ballots for the November election (representing a nearly 400% increase over the prior presidential election). Town Clerk Office staff:

- Entered and verified all pre-election information into Connecticut's on-line Election Monitoring System
- Maintained Killingworth's permanent absentee ballot records
- Compiled, issued and recorded absentee ballots applications for all votes
- Received and time-stamped completed absentee ballot applications; verified applications were complete and applicant was a registered elector; and issued absentee ballots for every vote within 48 hours of receipt of application for all votes
- Received, recorded and filed completed absentee ballots; safeguarded returned ballots until delivery to polling place on election day for all votes
- Conducted absentee ballot training for absentee ballot clerks during poll worker training sessions prior to each election or primary

Additionally, the Town Clerk directed the appointment of Killingworth's fifteen Justices of the Peace in November, 2020.

- **Vital Statistics:** Unlike in larger CT cities, the Killingworth Town Clerk also served as the Registrar of Vital Statistics, issuing marriage licenses, burial, cremation and disinterment 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 in the format prescribed by the CT Department of Health Services.
- **Freedom of Information Act Requests:** The Town Clerk's Office continued to serve as the coordinator for all FOIA requests received by the Town of Killingworth, providing the initial acknowledgement of the request, compiling requested information from all town departments, scheduling delivery of the information, collecting fees due and tracking the Town's response. During the 2020-2021 fiscal year the Town Clerk's Office managed 11 FOIA requests.
- **Policies and Procedures Manual:** The Town Clerk maintained its "Policy & Procedure Manual", a comprehensive guide for operations in the Town Clerk's Office. Town Clerk Dawn Rees Mooney continued to ensure all office business was conducted in accordance with this manual.
- **Additional Duties:** For the convenience of Killingworth's residents the Town Clerk's Office continued to issue hunting, fishing, trapping licenses and guidebooks for the State of Connecticut DEEP. In addition, the office managed Notary Public Applications/Filing/ Certifications, issued Trade Name Certificates and recorded liquor permits.
- **Personnel:** Town Clerk Dawn Rees Mooney and Assistant Town Clerk Michele O'Toole maintained their Master Connecticut Town Clerk (MCTC) designations from the Connecticut Town Clerks Association by attending on-line training classes and a virtual conference. Additionally, Town Clerk Dawn Rees Mooney earned Certified Municipal Official (CMO) certification from the Connecticut Conference of Municipalities and continued to serve as Connecticut Town Clerks Association Secretary and as an Executive Board member until April, 2021. Part-time Assistant Town Clerk Ellen Nixon remained an invaluable member of the town clerk team.
- **Special Town Meetings:** Due to the COVID-19 global pandemic, no Special Town Meetings were held.

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

SUPPORTED NON-MUNICIPAL ORGANIZATIONS

Connecticut River Coastal Conservation District

Staff

Jane Brawerman, Executive
Director Kelly Starr, Natural
Resource Specialist Sandy Weiss,
Office Administrator

Officers

Walter Smith, Chairman
Denise Savageau, Vice-Chair and Acting Secretary
Lorraine Jalbert, Treasurer

Location/Contact Information

deKoven House, 27 Washington
Street Middletown, CT 06457
(860) 346-3282

ctrivercoastal@conservect.org
www.conservect.org/ctrivercoastal

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation: \$1,661

Financial Statement

July 1, 2020, through June 30, 2021

INCOME

State Funds	\$100,000
Grants	79,869
Material Sales	61,274

Local Funds	35,176
Contributions	10,163
Interest Income	59
Total Income	\$286,541

EXPENSES

Wages, Payroll Taxes, Retirement Benefits	\$126,864
Grant Expenses	13,742
Shrub Sale & Fundraising Expenses	35,390
Operating/Office Expenses	23,891
Professional Fees & Dues	1,600
Conferences, Meetings & Workshops	400
Total Expenses	\$201,887

Compiled by Comer & Company, LLC, Certified Public Accountants

KEY ACTIVITIES AND ACCOMPLISHMENTS

The Connecticut River Coastal Conservation District is a nonprofit organization whose mission is to promote the sound use of our natural resources through technical assistance and education. Our programs are provided to municipal staff and land use commissioners, private residents, the agricultural community, the public, and the development industry. We are one of five conservation districts with similar missions working in different areas of the state. The Town of Killingworth is one of the 26 municipalities in Connecticut River Coastal Conservation District’s area, which includes the lower Connecticut River watershed and adjacent coastal towns. We provide leadership in solving natural resource problems and preventing impacts to the environment in our communities. Our ongoing technical and education services and programs include:

- Working with farmers and other land stewards to plan and implement more sustainable practices, increase productivity, and enhance habitat of working lands
- Providing municipal site plan reviews and landowner on-site assistance to address stormwater management, drainage, erosion and other natural resource concerns
- Conducting watershed assessments and water quality protection projects
- Engaging community members in taking an active role in protecting their rivers and streams through our citizen monitoring program, the Connecticut River Watch Program
- Distributing free District resources to promote backyard stewardship throughout our area, like our backyard water resources guide, invasive plant guide, and pet waste pickup brochure. Some of our publications also help support public education and outreach on stormwater management requirements for MS4 (Municipal Separate Storm Sewer System) communities
- Securing grants to assist municipalities and other partners with conservation needs
- Holding public events like our environmental film series, and our annual CT native plant sale

For more information go to www.conservect.org/ctrivercoastal, or contact our office at 860-346-3282.

2020-2021 highlights include:

- Provided conservation planning and technical assistance to seven farms and forest landowners throughout our district in partnership with Natural Resources Conservation Service focused on protecting water quality by addressing run-off concerns and soil erosion; improving soil health and plant

productivity; and enhancing and managing habitats and forests

- As part of ongoing watershed-based water quality improvement work, completed plans and applied for funds for a second phase of stormwater infiltration projects at Lyman Orchards Apple Barrel Farm Market pond and completed and installed an outdoor educational sign about the projects completed to date; and worked with a dairy and other partners to develop engineered designs for stormwater management improvements to address runoff and erosion concerns at the farm
- Planned, publicized and held an 8-session series of legal and technical virtual workshops to foster community interest in serving on local wetland commissions, available to all the towns in our area;
- Completed, printed and began distributing a new expanded version of our invasive plant guide in partnership with the CT Invasive Plant Working Group and the CT Resource Conservation and Development Council, also available on our website at www.conservect.org/ctrivercoastal/resources/
- Continued to offer and distribute our District educational resources throughout our towns
- Held our 29th annual CT native plant sale fundraiser to promote use of native plants in the landscape

Respectfully submitted by: Jane Brawerman, Executive Director

Haddam-Killingworth Recreation

The Haddam-Killingworth Recreation Department is entering its 46th year of service to the HK communities.

Our Mission Statement is to provide a comprehensive year-round recreational program which meets the needs of the individuals in the community. The department strives to provide positive recreational experiences which contribute to the individual's physical, social, emotional, creative, cultural, and educational growth and development in order to enrich the quality of life.

Use of the Regional School District #17 facilities is a key factor in our ability to provide affordable programs to our community. The pandemic was a challenge for us as we did not have much access to RSD17 facilities. With the use of the old Haddam Elementary School, Parmelee Farm and Sheldon Park, we were able to provide numerous activities for patrons of all ages during the most challenging time for our department. In addition, use of the HKHS pool was vital to our sustainability as well as use of the schools for childcare programs.

We are looking forward to more normalcy as we ease our way back into the RSD17 facilities and provide more programs in 2021-2022.

Our department's website (www.hkrec.com) provides an informative site as well as 24 hour on-line registration.

Haddam-Killingworth Recreation Department

Robyne Brennan, Director of Recreation

Jennifer Mislick, Director of Child Care

Josselyn Salafia, Recreation Supervisor

Sheila Benoit, Administrative Assistant

2020-21 Recreation Authority Members:

Bill Burley, Chairman

Jen O'Neal

Brian Blair

Jim Duffield

Dan Belanger

Jason Lonergan

Financial Highlights

Town of Killingworth Operating Budget Allocation

\$71,410

Other revenues

Town of Haddam (\$100,000)

Program Income/Grants & Sponsors / Promotion & Fundraising Events (\$565,590)

Operating Expenditures

\$737,000

Salaries, Benefits, Supplies, Promotion, Contracted Services

Capital Expenditures (if applicable)

N/A

Key Activities and accomplishments

The Haddam-Killingworth Recreation Department is entering its 46th year of service to the HK communities. Our Mission Statement is to provide a comprehensive year-round recreational program which meets the needs of the individuals in the community. The department strives to provide positive recreational experiences which contribute to the individual's physical, social, emotional, creative, cultural, and educational growth and development in order to enrich the quality of life. Use of the Regional School District #17 facilities is a key factor in our ability to provide affordable programs to our community. The pandemic was a challenge for us as we did not have much access to RSD17 facilities. With the use of the old Haddam Elementary School, Parmelee Farm and Sheldon Park, we were able to provide numerous activities for patrons of all ages during the most challenging time for our department. In addition, use of the HKHS pool was vital to our sustainability as well as use of the schools for childcare programs.

We are looking forward to more normalcy as we ease our way back into the RSD17 facilities and provide more programs in 2021-2022.

Our department's website (www.hkrec.com) provides an informative site as well as 24 hour on-line registration.

Respectfully submitted by:

Robyne Brennan

Director of Recreation

HK REC FACILITY USAGE & ATTENDANCE

JULY 1, 2020 – June 30, 2021

	Total Participants		Duration
High School Pool	Drop-in/Lap Swim		681(6/25) 28
weeks			
Children Swim Lessons (Summer)	66	6 weeks	
Children Swim Lessons (Fall, Winter Spring)			133
			20 weeks
Adult Swim Lessons	3	9 weeks	
Cougar Aquatic Team	24	26 weeks	
Masters Swimming	8	26 weeks	
Pool Memberships	16 family / 7 ind.	28 weeks	
Parent & Tot Swim	28	7 weeks	
Aqua Aerobics	56	25 weeks	
Lifeguard Training	2	4 weeks	

High School Tennis Courts

	Skyhawks Tennis Camp	7	4
days			

OLD MS (Central Office) Classrooms

Before School BES (Gr. K-1)	2	4 weeks
Before School BES (Gr. 2-6)	2	4 weeks
Before School KES (Gr. 2-6)	2	4 weeks
School Day Care (Gr. K-1)	9	4 weeks
After School Care (Gr. K-1)	4	4 weeks
School Day Care (Gr.2-6)	8	4 weeks
After School Care (Gr. 2-6)	7	4 weeks
Adult and Child CPR	6	2 nights

Intermediate / Middle School

Summer Camp	223	7 weeks
Abakadoodle Art Camp	Cancelled	4 days
Modeling Camp	8	5 days
Play-Well Stem & Animal Architects	8	5 days
Gross & Really Cool Experiements	Cancelled	2 days
Jr. Investigators of Science	Cancelled	2 days
Art Splash	6	1 day
Pallet Painting	8	1 day

Middle School Gym

Skyhawks Volleyball Camp	15	5 days
Skyhawks Basketball Camp	5	5 days

Middle School Field

Skyhawks Baseball Camp	8	4 days
Skyhawks Gold Camp	8	4 days
Skyhawks Mini-hawk Camp	14	8 days
Skyhawks STEM & Play		
Flag Football Camp	6	4 days
UK International Soccer	Cancelled	4 days
Skyhawks Multi-Sport Camp	5	4 days

Killingworth Elementary School

Before School	7	26 weeks
After School Child Care (Total Enrolled)	14	16 weeks*
*only ran from sept -Dec		

Burr Elementary School

Before School	22	26 weeks
After School Child Care (Total Enrolled)	40	26 weeks

Haddam Elementary School

Karate (Nov.Jan., Feb)	25	9 weeks
Abrakadoodle Dream Catchers & Moon Pies	7	1 day
Creative Art (Nov, Dec., Jan., Feb., Mar.)	18	19 weeks
Zumba Kids	24	15 weeks
Stem Fundamentals	cancelled	6 weeks
When I'm In Charge	7	1 day
Chemical Reactions	3	5 weeks
Skyhawks Basketball	28	8 weeks
CPR(Babysitter's)	5	2 days
Gymnastics	43	16 weeks
HK RecCreation Stations	17	12 weeks
Basic First Aid	3	1 day
Robotics	6	5 weeks
Indoor Soccer	33	8 weeks
Babysitter's Training	4	3 days
Cool Science & More	4	5 weeks
Mens Basketball	10	8 weeks
Pickleball	10	7 weeks
Youth Basketball	23	7 weeks

Eric Auer Killingworth Recreation Park

Everson Soccer Clinics	32	5 weeks
Youth Soccer	120	9 weeks
Pee Wee Fall Soccer Academy	79	7 weeks
Disc Golf	cancelled	8 weeks

Parmelee Farm

Karate (Summer)	8	4 weeks
Karate (Sept. & Oct.)	28	7 weeks
Outdoor Summer Concerts	100	2 nights
Canvas & Cupcakes	10	1 day
Gross & Really Cool Jr. Experiements	8	5 weeks
Creative Art (May)	4	3 weeks
Rockets	8	5 weeks

Sheldon Park

Tennis	11	4 days
Archery	23	8 weeks
Canvas or Pumpkins in the Park	4	1 day
Zumba Kids	22	16 weeks

Creative Art (Sept, Oct.)	11	7 weeks
Science Outreach – Bubbles	cancelled	1 day
Running Rams “Cross Country”	65	16 weeks
Play Days in the Park	3	3 days
Skyhawks Multi-Sport	14	4 weeks
Skyhawks SportTots	19	4 weeks
Tennis Time	7	4 weeks

Higganum Green

Outdoor Summer Concerts	75	2 nights
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Zoom

Kidscapades Adventureland Camp	Cancelled	4 days
Kidscapades	3	1 day
Abrakadoodle Space Adventure Camp	2	5 days
Abrakadoodle Art Splash (Alaska)	1	1 day
Kidscapades	2	2 days
Wizards Workshop	2	1 day
Chess	5	5 days
Art Splash	1	1 day
Fitness Yoga	153	40 weeks
Crossroads Driving School	64	40 weeks
Personal Euphoria Fitness Classes	1	12 weeks
Basic Boating	75	4 days
Lego Masters Challenge	7	5 weeks
Guitar Workshop	5	6 weeks

Other

Lake Compounce Discount Tickets	8	10 weeks
CT Science Center Tickets	0	23 weeks
Adventure Park Tickets	8	10 weeks
Abrakadoodle Do-it-at Home Kits	3	1 day
Horseback Riding (Whitney Ridge)	133	44 weeks
Gymnastics	10	4 weeks

When I'm in Charge

15

1

night

Killingworth Library Association

Board of Directors *(as of June 30, 2021)*

Lucinda Hogarty – President
Keith Nairn – Vice President
Jan O’Sullivan – Treasurer
David Meixell – Recording Secretary
Nancy McCormick – Corresponding Secretary
Lise Brule
Christy Coppola
Rob Flaherty, Jr.
Bini Freeman
Tina Garmaise
Jim McDonald
Roger Nemergut
Richard Otto

Staff *(as of June 30, 2021)*

Laurie Prichard – Library Director
Tammy Eustis – Assistant Library Director
Brigid Loughlin – Part-time Technical Services / Circulation Desk Staff
Ellery Freeman – Part-time Student Temp

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 approximately 4,775 hours of service to the library, the equivalent of 2.4 full-time employees.

Location: 301 Route 81, Killingworth, CT

Financial Highlights

Fiscal Year July 1, 2020 – June 30, 2021

Town of Killingworth Operating Budget Allocation: \$269,500

Other revenues Total \$56,197, breakout:

Annual Fund Campaign Contributions: \$22,261

Misc. Gifts & Income: \$7,686

Fundraising Activities: \$2,009 (*Book Sales, Misc. Fundraising*)

Room Rental to Middletown Adult Ed.: \$2,800

User Fees: \$340

Endowment Income: \$19,601

Grants: \$1,500 (does not include Neighborhood Assistance Act funding – see below)

CT Neighborhood Assistance Act Program*

Neighborhood Assistance Act funding from 2014-20*	\$45,168
NAA funding received in 2020-21*	7,397
NAA project expenditures 2015-20	(27,335)
Remaining NAA balance	\$25,230

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

1st PPP Loan Forgiven: \$46,977

Expenditures

Total Expenditures: \$293,895 (unaudited), breakout:

Salaries & Payroll Taxes:	\$177,623
Health Insurance:	17,505
Insurance (other than health):	11,496
Maintenance & Occupancy:	23,269
Operating Expenses:	64,002

Key Activities and accomplishments

Identifying how the library could best serve Killingworth in a cost-efficient way during the pandemic conditions which prevailed through this entire fiscal year presented an incredible challenge to the Board and library administration. We were fortunate to have recently completed data analysis which took not just short-term changes into account for planning purposes but long-range strategic planning as well. The Board of Directors, acting from a strong sense of responsibility to be fiscally prudent, to support financial sustainability, and to be good stewards of town funds during challenging times, was faced with making difficult operational changes.

The pandemic caused a substantial loss of both service revenue and fundraising income: for two years, we've been unable to hold our golf tournament (our biggest fundraiser), the Earth Day events were not held, there were no user fees, there have reduced book sales and most significantly, no more rent from Middletown Adult Education.

The Library staff worked diligently and creatively to continue to meet the community's needs during constantly changing conditions, providing more e-services, curbside services, home delivery, and outdoor programming, all while operating under altered work conditions. Some staff were able to work from home to cover coaching patrons on electronic offerings, keeping up with book cataloging, answering inquiries, and ensuring safe operations and handling of the materials. Others altered work schedules to keep contact to a minimum.

However, even during Covid, we were able to launch some new teen outreach initiatives, starting to meet the needs of this portion of our population. In January 2021, we collaborated with Haddam Killingworth High School (HKHS) teachers on a Teen Library Card Registration project resulting in 102 new accounts being opened for students and dozens more renewed. We also held our first HKHS Student art show this spring, with 41 students participating and many community members visiting the library to view the students' work.

- 209 new patron accounts were opened during FY 2020-2021, with an additional 20 opened for residents of neighboring communities
- 18,717 books, audio books, videos, and music CDs circulated last year.
- Circulation of electronic items (e-books, e-audio books) surged to 3,692, more than four times the pre-pandemic count of 791 for FY 2018-2019.
- There were 4,968 patron visits once the library re-opened for browsing. Our computers are once again being used by both adults and students, and the color copier with scanning and fax functions serves many as a business resource center.
- Use of our community meeting room was severely curtailed due to Covid restrictions.
- A variety of socially distant programs designed to appeal to all ages were held throughout the year, from offsite scavenger hunts, outdoor riddle walks, and planting a seed, to our first outdoor summer programs featuring a STEM/STEAM theme. Virtual programming for adults was tried, with some success, via Zoom, and is continuing.

Respectfully submitted by:

Lucinda Hill Hogarty, President

Killingworth Library Association Board of Directors

Literacy Volunteers Valley Shore CT

Joanne Argersinger, Office Manager

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 \$500

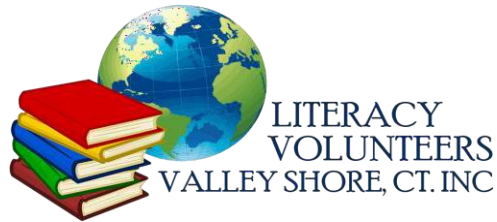
KEY ACTIVITIES AND ACCOMPLISHMENTS

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 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



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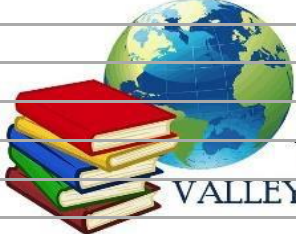
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 LITERACY VOLUNTEERS VALLEY SHORE, CT. INC		
	FY2021	
	Budget	Actual
Operating Income		
Income from participants' program fees	1,100	1,065
Private agency award(s) and grants	17,200	19,645
Fundraising	7,525	0
Income from special events (Annual Appeal)	7,600	14,055
Fees and grants from government agencies	6,650	5,700
Total Operating Income	40,075	40,465
Expenses		
Salaries	25,960	17,796
Employee Benefits	0	0
Employee Expense Allowances	0	0
Rent or mortgage payment	0	0
Insurance	2,300	2,538
Utilities	0	0
Phone and Internet	1,400	2,010
Maintenance & Repairs	100	234
Travel/Conference/Conventions	0	0
Professional Fees	2,305	2,305
Membership Dues	100	99
Awards and Grants	450	450
Interest Expense	70	97
Depreciation	600	0
Office Expenses (supplies, etc.)	2,490	1,987
Public Relations	500	4,069
Miscellaneous	0	
Postage	800	516
Teaching Materials	3,000	632
Total Expenses	40,075	32,733

**LVVS
ANNUAL MEETING – 7/28/21
TUTOR PROGRAM REPORT**

Through this difficult year, LVVS continues to play an important role to reach the 13% of our population that lack the language skills necessary to compete in today's job market, assist their children to learn, or engage effectively in their community.

Student Profile

- 241 students served (30 less than last FY).

Origin:	31 countries, including the U.S (Ecuador 35%)
Location:	67% reside in Clinton, Westbrook and Old Saybrook
Age:	The average age is 35 years; 7% < 22 and 5% over 64
Gender:	72% female
Longevity:	The average time with LVVS is 6 years. 28% have been with LVVS for > 6 years

- Enrolled 19 new students (16 less than last FY); primarily recruited through organizations and family/friends.
- Addressed the literacy needs of largely Hispanic/Latino students (76%), but also Asian (19%) and African American (2%).
- Tracked 224 individual goals (outcomes) set by our students; ten more than the previous fiscal year. Overall, 31% of this year's goals were met.

Tutor Profile

- 292 registered tutors (19 more than last year); 141 currently with a student; primarily recruited by TV/radio/newspaper.
- Trained 27 new tutors (5 less than last FY).
- 55% of tutors are from Madison, Guildford and Old Saybrook.
- The average time Tutoring is 7 years; 13% have been with LVVS for over 10 years!

Tutoring Events and Hours

-
- In addition to the 16 New Tutor Training Workshops, LVVS held 2 Continuing Ed sessions for tutors to reinforce ESL techniques.
 - Number of client contacts through this fiscal year
 - 10,776 hours of tutoring
 - 20% reduction in hours/tutor vs last FY
 - 4.8 hrs/mo per student vs 5.8 hrs/student last FY
 - 605 Non-Tutoring Administrative Support
 - 281 Student Independent hours

Tutor and Student Challenges and Future Initiatives

COVID-19 has had an impact on the ability of our tutors to meet with their student to teach English skills. We have all been challenged with how to help our students navigate through the pandemic and continue to improve the proficiency of their English. In response, five Initiatives were launched.

- 1- Developed a facilitated, virtual new tutor training program.
- 2- Expanded information and support to tutors on how to conduct tutoring sessions virtually.
- 3- Developed a systemic method to increase the number of hours a student is exposed to English beyond time with the tutor.
 - Submission of Student independent study hours
 - Essay Contest
- 4- Updated the LVVS website to better support tutors and students. We will continue to examine how to develop a direct LVVS relationship with students and consider conducting group sessions.
- 5- Obtained a National Book Fund Grant through which LVVS obtained free ESL workbooks for students.

To conclude, I want to thank all our tutors and volunteers for these program results.

REGIONAL SCHOOL DISTRICT NO. 17

2020 - 2021 ANNUAL REPORT

Submitted on behalf of the Board of Education

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
Joel D' Angelo	Killingworth	12/01/11 - 12/01/23
Jennifer Favalora	Haddam	12/01/19- 12/01/23
Shawna Goldfarb	Haddam	12/01/19- 12/01/23
Joanne Nesti	Haddam	10/01/15 - 12/01/21
Gerry Matthews	Haddam	12/01/17 - 02/25/20
Nelson Rivera	Killingworth	12/01/19- 12/01/23
Suzanne Sack	Killingworth	12/01/15 - 12/01/23
Peter Sonski	Haddam	03/01/17 - 12/01/23
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 2020 - 2021 budget appropriation was \$41,887,638. This budget reflected a net decrease of (1.09%) over the previous year's budget of \$42,348,914.

The 2020-2021 budget distribution was as follows:

- Salaries
- Benefits
- Learning Programs
- Support Services
- Administration
- Facilities & Transportation
- Tuition
- Debt Service
- Technology

\$22,154,643

\$ 7,295,765

\$ 663,822

\$ 295,877

\$ 394,774

\$ 6,163,074

\$ 2,560,880

\$ 1,970,938

\$ 387,865

History of gross* budget increases:

2016-17 2017-18 2018-19 2019-20 2020-21

*Gross includes all operating costs. 0.98% 0.37% 0.38%
 0.39% (1.09%)

History of net* budget increases:

	2016-17	2017-18	2018-19	2019-20	2020-21
	1.58%	0.67%	0.92%	(0.20%)	(1.53%)

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

	2015-16	2016-17	2017-18	2018-19	2019-20	
TOTAL ENROLLMENT			2135	2116	2067	2029
	1961					
Haddam	1248	1252	1228	1196	1204	
Killingworth		887	864	839	833	757
PER PUPIL EXPENDITURE						

The net per pupil expenditure of \$21,536 is determined by the State Department of Education and excludes expenditures related to transportation, debt service and adult education.

Remitted,

Jeffrey Wihbey Superintendent

Youth and Family Services Haddam Killingworth

Agency Staff for the year ending June 30, 2021:

Executive Director (40 hours/week); Clinical Director (40 hours/week); Office Manager, (40 hours/week) Prevention Coordinator, (40 hours/week) – Prevention Grant supported staff

FINANCIAL HIGHLIGHTS

Town of Killingworth Operating Budget Allocation For the fiscal year ending June 30, 2021, we received \$ from the Town of Killingworth. Other revenues: additional revenues received for FY 2020-2021 included the following:

Funding Sources	Amount
Town of Killingworth	\$83,140
Town of Haddam	98,800
Grant Income:	166,982
Fundraising Income:	25,867
Program Fees:	23,706
In-Kind Donations:	32,140
Contributions Income:	18,337
Investment Income:	159
TOTAL:	\$449,131

Operating Expenditures: Your total operating expenditures for FY 2020-2021: \$

Personnel	\$239,878
Professional Fees	9,880
Development / Fundraising	17,679
Insurance (health, WC, liability)	19,418
In-Kind Expenses	32,140
IT Expenses	5,145
Utilities	4,464
Grant Expenses	83,788
Program Expenses	15,440
Staff Training and Development/Conferences	9,909
TOTAL:	\$437,741

Capital Expenditures (if applicable)—not applicab

KEY ACTIVITIES AND ACCOMPLISHMENTS

For the year ending June 30, 2021 we made a concerted effort to collaborate with Killingworth business, non-profits and increase the number of events and meetings held in Killingworth at the elementary school and/or Churches, our work with the Killingworth Lions, collaboration with the Town Municipal Agent. We supported the Resident State Troopers and worked closely with them to integrate ‘compliance checks’ and establish that all business abided by the law by not selling or serving alcohol to minors. We supported the Backpack Program by directing donations for food and/or discounting participation with our events in exchange for a donation to this program. And we made good use of the beautiful library space and convened late afternoon and evening meetings in that space.

Our plans are to continue to focus on establishing deeper connection with the community, working with the Chamber, business, library and schools to increase our visibility and the community’s awareness of the breadth and depth of our programming.

Activity--** estimates based on school population	Program	Killingworth Youth and Families
2020-2021		
Healthy Communities- Healthy Kids Coalition (8 meetings)	Coalition	70
Inspire (Jan – May 2021) once a week	H.S. Club	32
SPARK (Did not conduct because of COVID)	M.S. Club	0
Youth In Action (Did not conduct because of COVID)	H.S. Club	0
Ignite (12 meetings) (4 -Haddam, 8- Killingworth)	H.S. Coalition	80
Kids Night Out KNOs (Did not conduct because of COVID)	Community event	0
HES Slime Event (Did not conduct because of COVID)	Community event	0
Burr Fall Festival (Did not conduct because of COVID)	Community event	0
Girls Night Out (Did not conduct because of COVID)	Information session	0
Run - A- Muck (Did not conduct because of COVID)	Community event	0
Rein It In Group (6 Meetings at HKMS)	Youth Club	22
Therapy Dogs Burr, HK Middle, HK H.S. (Did not conduct because of COVID)	School event	0
Movie Nights (Did not conduct because of COVID)	Community Event	0
Zoom Sewing Class (4 dates)	Community Outreach	2
Free Haircut Event	Community Outreach	72
Pizza Delivery Nights 9/12/20	Fundraiser	0
Pumpkin Run	Community Outreach	23
M.S. Craft Fair (Did not conduct because of COVID)	Community Outreach	0
Virtual Discussion “Implicit Bias” 4/28/21	Community Outreach	16

Stuff a Cruiser Haddam-that benefit both Haddam and Killingworth families	Community Outreach	45
Presentations to Killingworth Lions (Did not conduct because of COVID)	Speaking engagement	0
Presentations to M.S. (Did not conduct because of COVID)	Speaking engagement	0
Community Night M.S. (Did not conduct because of COVID)	Data distribution	0
Haddam Fire Days (Did not conduct because of COVID)	Community Outreach	0
High School Street Fest (Did not conduct because of COVID)	School event	0
Community Dodgeball (Did not conduct because of COVID)	Community Event	0
Higganum Farmers Markets (4 Markets)	Community Outreach	20
Visit to (2) Liquor Stores with Troopers 11/12/20	Prevention	0
Drug Take Back 10/24/20 & 4/24/2021	Prevention	60
John Morello Virtual Presentation 3/19/20	H.S. Event	0

Holiday Giving Program	Community Outreach	8 families
Vision Screening for Incoming Kindergarteners (Did not conduct because of COVID)	Community Outreach	0
Week of the Young Child Activities and Book Distribution with School and Community Centers (Did not conduct because of COVID)	Community Outreach	0
Clinical Services Hours Provided to Couples	Clinical Services	17.5 Hours
Clinical Services Hours Provided to Families	Clinical Services	102.50 Hours
Clinical Services Hours Provided to Youth	Clinical Services	33.5 Hours
Clinical Case Management Hours in addition to counseling Clinical Case Management Hours is defined by - anything that is done on behalf of the client that isn't a billable hour, for example reaching out to Pediatricians, DCF, School Psychologist's, Lawyers, and Crisis Intervention Work.	Clinical Case Management	62.50 Hours
Crisis Management for youth and/or their families requiring assistance with homelessness; school avoidance; fuel assistance; rental assistance; food assistance	Social Services	12
Crisis Management Hours for youth and/or their families requiring assistance with homelessness; school avoidance; fuel assistance; rental assistance; food assistance	Social Services	24 Hours
Juvenile Review Board referrals for youth arrested or cited for threatening behavior; reckless endangerment; assault; illegal drug possession; minor	JRB	8

infractions.		
JRB Case Management Hours for intake, narrative summaries, JRB team meetings; youth follow-up; follow-up with Resident State Troopers; schools; phone calls, emails and meetings with parents; other community providers; wrap-up team meetings; final intake and evaluation.	JRB	40 hours

**TOWN OF KILLINGWORTH, CONNECTICUT
FINANCIAL REPORT
June 30, 2021**

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State Single Audit

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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, 2021, 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, 2021, and the respective changes in financial position for the year then ended in accordance with U.S. generally accepted accounting principles.

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 57 - 61, the retirement system schedules on pages 62 - 66 and other postemployment benefits (OPEB) schedules on page 67 - 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 15, 2021, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Towns' internal control over financial reporting and compliance.

Seward and Monde

North Haven, Connecticut
November 15, 2021

Town of Killingworth, Connecticut
Management's Discussion and
Analysis For the Year Ended June 30,
2021

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, 2021. 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 \$1,289,476 or 4.8%, from \$27,095,092 to \$28,384,568. 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 \$28,384,568. Of this amount, \$5,229,792 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total liabilities increased \$35,541. Long-term liabilities decreased by \$1,027,670 primarily due to a principal payment on general obligation bonds and a reduction in the net pension liability for the two defined benefit pension plans. Other liabilities increased by \$1,063,211 primarily from receipt of ARPA grant funds that are included in unearned revenue.
- At the close of the current fiscal year, the Town's governmental funds reported a combined fund balance of \$6,619,774 which was an increase of \$797,108 from the prior year. Of this amount, \$5,383,917 is unassigned and available for spending at the Town's discretion, which is a decrease of \$42,349 from the prior year, as the Town approved use of \$176,443 of fund balance in the 21-22 budget.
- The General Fund budget showed an overall under expenditure of \$13,312 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, the Reserve for Capital and Nonrecurring Expenditures Fund and the American Rescue Plan Act Fund which are considered to be major funds. Data from the other eight 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 one type 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 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 - 56 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 57 - 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 - 70 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			
	<u>June 30, 2021</u>	<u>Changes During the Year</u>		<u>June 30, 2020</u>
		<u>Dollars</u>	<u>Percent</u>	
Current and other assets	\$ 7,844,588	\$ 1,786,525	29.5%	\$ 6,058,063
Capital assets	24,939,776	76,541	0.3%	24,863,235
Total assets	<u>32,784,364</u>	<u>1,863,066</u>	<u>6.0%</u>	<u>30,921,298</u>
Deferred outflows of resources	298,017	(135,016)	-31.2%	433,033
Long-term liabilities	2,716,554	(1,027,670)	-27.4%	3,744,224
Other Liabilities	1,096,899	1,063,211	3156.1%	33,688
Total liabilities	<u>3,813,453</u>	<u>35,541</u>	<u>0.9%</u>	<u>3,777,912</u>
Deferred inflows of resources	884,360	403,033	83.7%	481,327
Net investment in capital assets	23,154,776	476,135	2.1%	22,678,641
Unrestricted	5,229,792	813,341	18.4%	4,416,451
Total net position	<u>\$ 28,384,568</u>	<u>\$ 1,289,476</u>	<u>4.8%</u>	<u>\$ 27,095,092</u>

By far the largest portion of the Town's net position (81.6%) 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 \$5,229,792 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			
	2021	Change		2020
		Dollars	Percent	
Revenues:				
Program Revenues:				
Charges for services	\$ 613,857	\$ 111,353	22.16%	\$ 502,504
Operating grants and contributions	2,126,153	(29,086)	-1.35%	2,155,239
Capital grants and contributions	54,673	573	1.06%	54,100
General revenues:				
Property taxes	19,083,973	(302,077)	-1.56%	19,386,050
Grants and contributions	215,455	(14,271)	-6.21%	229,726
Interest and investment earnings	13,758	(38,859)	-73.85%	52,617
Other general revenues	104,491	65,814	170.16%	38,677
	<u>22,212,360</u>	<u>(206,553)</u>	<u>-0.92%</u>	<u>22,418,913</u>
Expenses:				
Program expenses:				
General government	1,588,242	(325)	-0.02%	1,588,567
Public safety	776,844	(2,492)	-0.32%	779,336
Highway	1,946,980	(26,793)	-1.36%	1,973,773
Sanitation and health	389,641	89,383	29.77%	300,258
Conservation and land use	64,957	141	0.22%	64,816
Recreation	218,858	(13,629)	-5.86%	232,487
Community Services	570,100	82,720	16.97%	487,380
Welfare	23,551	595	2.59%	22,956
Education	15,314,432	(1,424,179)	-8.51%	16,738,611
Interest on long-term debt	29,279	(6,318)	-17.75%	35,597
Total program expenses	<u>20,922,884</u>	<u>(1,300,897)</u>	<u>-5.85%</u>	<u>22,223,781</u>
Change in net position	<u>\$ 1,289,476</u>	<u>\$ 1,094,344</u>	<u>560.82%</u>	<u>\$ 195,132</u>

- Charges for services increased by \$111,353 (22.16%) due to increased conveyance and building fees as home sales and construction projects remained strong during the year.
- Property taxes decreased by \$302,077 (1.56%) due to a reduction in the mill rate.
- Interest earnings remained at record lows as interest rates continue to stay low.
- Sanitation and health increased by \$89,383 (29.77%) mainly due to the use of hired contractors for the Compactor operation and increases in bulky waste fees.
- Community Services increased by \$82,720 (16.97%) primarily due to tax refunds and Parmalee Farm expense which are offset by charges for those services.
- Education expenses decreased by \$1,424,179 (8.51%) due to a decrease in the ADM and assessment by Regional School District No. 17.
- Interest on long-term debt decreased by \$6,318 (17.75%) due to the overall reduction in debt.

Governmental Activities

The next table 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		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
General government	\$ 1,588,242	\$ 1,588,567	(\$ 325)	\$ 970,931	\$ 1,141,938	(\$ 171,007)
Public safety	776,844	779,336	(2,492)	767,802	761,752	6,050
Highway	1,946,980	1,973,773	(26,793)	1,543,802	1,560,692	(16,890)
Sanitation and health	389,641	300,258	89,383	370,476	270,940	99,536
Conservation and land use	64,957	64,816	141	64,957	64,816	141
Recreation	218,858	232,487	(13,629)	218,858	232,487	(13,629)
Community services	570,100	487,380	82,720	501,940	449,469	52,471
Welfare	23,551	22,956	595	23,551	22,956	595
Education	15,314,432	16,738,611	(1,424,179)	13,636,605	14,971,291	(1,334,686)
Interest on long-term debt	29,279	35,597	(6,318)	29,279	35,597	(6,318)
Totals	<u>\$ 20,922,884</u>	<u>\$ 22,223,781</u>	<u>(\$ 1,300,897)</u>	<u>\$ 18,128,201</u>	<u>\$ 19,511,938</u>	<u>(\$ 1,383,737)</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, 2021, the Town's governmental funds reported combined fund balances of \$6,619,774 an increase of \$797,108 in comparison with the prior year. Approximately 81.3% of this amount (\$5,383,197) 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 (\$778,235), or 2) assigned for particular purposes (\$457,622).

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 \$5,560,360. Assigned fund balance represents the amount approved for use in the fiscal year 21-22 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 and total fund balance represent 24.4% and 25.2%, respectively, of total general fund expenditures and transfers out.

The fund balance of the Town's general fund increased by \$134,094 during the current fiscal year.

The reserve for capital and nonrecurring expenditures fund, a major fund, had a \$649,192 increase in fund balance during the current fiscal year, primarily due to increased General Fund funding. Major projects in the reserve for capital and nonrecurring expenditures fund included \$1,243,677 in road projects expenditures, \$184,546 for highway department pay loader, \$56,691 pickup truck with plow, and \$45,257 for revaluation. The American Rescue Plan Act fund, new this year, will account for the Town's share of Federal municipal funding. The other governmental funds had an increase of \$13,822.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget

There were variances 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, except for the COVID expenses, Town counsel, compactor operations, and tax refunds which were over the \$20,000 that would have required a Town Meeting approval. The meeting was held Thursday, October 28, 2021.

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	\$ 18,826,652	\$ 19,155,924	\$ 329,272
Intergovernmental	2,196,840	2,333,947	137,107
Licenses, fees and permits	125,000	227,167	102,167
Charges for goods and services	115,000	285,344	170,344
Interest income	40,000	12,267	(27,733)
Appropriation of prior year fund balance	1,131,199	1,131,199	-
Other revenues	<u>100,000</u>	<u>141,339</u>	<u>41,339</u>
Total revenues	<u>22,534,691</u>	<u>23,287,187</u>	<u>752,496</u>
Expenditures			
General government	3,709,860	3,702,623	7,237
Public safety	580,836	580,733	103
Highway	927,887	927,887	-
Sanitation and health	389,501	389,501	-
Conservation and land use	68,869	64,706	4,163
Recreation	125,771	125,766	5
Community services	471,755	470,037	1,718
Welfare	11,048	10,962	86
Debt and lease obligation	431,632	431,632	-
Education	<u>15,314,432</u>	<u>15,314,432</u>	<u>-</u>
Total program expenses	<u>22,031,591</u>	<u>22,018,279</u>	<u>13,312</u>
Excess of revenues over expenditures	<u>\$ 503,100</u>	<u>\$ 1,268,908</u>	<u>\$ 765,808</u>

Property tax revenue was \$329,272 over budget primarily due to higher than anticipated overall tax collections. Charges for goods and services was \$170,344 higher than budgeted due primarily to higher conveyance and building fees. Town budgeted for an additional appropriation of \$1,090,361 to fund 2021 capital projects.

Most of the Town's departments maintained spending within the budgetary limits. Under expenditures in all departments was utilized to fund the COVID related expenses, Town counsel, compactor operations and Tax refunds expenditures.

Capital Assets

As of June 30, 2021, the Town had a net amount of \$24,939,776 invested in a broad range of capital assets, including land, buildings, vehicles and equipment and infrastructure. This represents a net increase (including additions and deductions) of \$76,541 from the prior year. During the current fiscal year, the Town completed paving and repair work of Town roads. In addition, the Town made payments for Radio & communication equipment, and for the pay loader and pickup with plow for the Highway department. The overall increase in net capital assets was a result of a slightly higher depreciation expense as compared to asset additions.

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Land	\$ 3,821,535	\$ 3,821,535
Construction in progress	200,926	317,930
Land improvements	1,100,605	1,177,338
Buildings and improvements	2,424,601	2,517,197
Equipment and vehicles	1,280,785	1,360,553
Infrastructure	<u>16,111,324</u>	<u>15,668,682</u>
Totals	<u>\$ 24,939,776</u>	<u>\$ 24,863,235</u>

The Town's 2021/2022 budget anticipates \$971,622 in road projects, as well as 2021 Grand List revaluation, IT upgrades, Highway Department and Fire vehicles, and facility improvements for the volunteer fire company, Parmelee Farm and recreation.

Long-Term Debt

As of June 30, 2021, the Town had \$1,785,000 in general obligation bonds outstanding, a decrease of \$400,000 from the prior year, as shown in the analysis below.

Town of Killingworth's Outstanding Debt

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
General obligation bonds	\$ 1,785,000	\$ 2,185,000
Totals	<u>\$ 1,785,000</u>	<u>\$ 2,185,000</u>

The Town's elected and appointed officials considered many factors when setting the fiscal year 21-22 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 21-22 budget of \$21,639,323 has an increase of 1.2% on the Town side and an 4.4% increase for Regional School District No. 17. The mill rate was unchanged at 26.72.

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 any 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, 2021

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 7,676,161
Property taxes and interest receivable, net	159,314
Net pension asset	9,113
Capital assets not being depreciated:	
Land	3,821,535
Construction in progress	200,926
Capital assets, net of accumulated depreciation: Land improvements	1,100,605
Buildings and improvements	2,424,601
Equipment and vehicles	1,280,785
Infrastructure	<u>16,111,324</u>
Total assets	<u>32,784,364</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges related to pensions	286,484
Deferred charges related to OPEB	<u>11,533</u>
Total deferred outflows of resources	<u>298,017</u>
LIABILITIES	
Accounts payable and accrued expenses	155,184
Unearned revenue	941,715
Long-term liabilities:	
Due within one year	508,139
Due in more than one year	<u>2,208,415</u>
Total liabilities	<u>3,813,453</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred charges related to pensions	871,439
Deferred charges related to OPEB	<u>12,921</u>
Total deferred outflows of resources	<u>884,360</u>
NET POSITION	
Net investment in capital assets	23,154,776
Unrestricted	<u>5,229,792</u>
Total net position	<u>\$ 28,384,568</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, 2021**

Functions\Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Grants and Contributions	Grants and Contributions	Capital	Governmental Activities
Primary Government						
Governmental Activities:						
General government	\$ 1,588,242	\$ 532,495	\$ 84,816	\$ -	(\$ 970,931)	
Public safety	776,844	9,042	-	-	(767,802)	
Highway	1,946,980	5,965	342,540	54,673	(1,543,802)	
Sanitation and health	389,641	19,165	-	-	(370,476)	
Conservation and land use	64,957	-	-	-	(64,957)	
Recreation	218,858	-	-	-	(218,858)	
Community services	570,100	47,190	20,970	-	(501,940)	
Welfare	23,551	-	-	-	(23,551)	
Education	15,314,432	-	1,677,827	-	(13,636,605)	
Interest	29,279	-	-	-	(29,279)	
Total governmental activities	<u>\$ 20,922,884</u>	<u>\$ 613,857</u>	<u>\$ 2,126,153</u>	<u>\$ 54,673</u>	<u>(\$ 18,128,201)</u>	
General revenues:						
					19,083,973	
					215,455	
					13,758	
					<u>104,491</u>	
					<u>19,417,677</u>	
					1,289,476	
					<u>27,095,092</u>	
					<u>\$ 28,384,568</u>	

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

**TOWN OF KILLINGWORTH, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General	Reserve for Capital and Nonrecurring Expenditures Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 5,675,032	\$ 924,999	\$ 941,715	\$ 134,415	\$ 7,676,161
Property tax and interest receivable, net of allowance of \$13,000	159,314	-	-	-	159,314
Total assets	<u>\$ 5,834,346</u>	<u>\$ 924,999</u>	<u>\$ 941,715</u>	<u>\$ 134,415</u>	<u>\$ 7,835,475</u>
LIABILITIES					
Accounts payable and accrued expenses	\$ 144,687	\$ -	\$ -	\$ -	\$ 144,687
Unearned revenue	-	-	941,715	-	941,715
Total liabilities	<u>144,687</u>	<u>-</u>	<u>941,715</u>	<u>-</u>	<u>1,086,402</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	129,299	-	-	-	129,299
FUND BALANCES					
Restricted	-	-	-	134,415	134,415
Committed	-	643,820	-	-	643,820
Assigned	176,443	281,179	-	-	457,622
Unassigned	5,383,917	-	-	-	5,383,917
Total fund balances	<u>5,560,360</u>	<u>924,999</u>	<u>-</u>	<u>134,415</u>	<u>6,619,774</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,834,346</u>	<u>\$ 924,999</u>	<u>\$ 941,715</u>	<u>\$ 134,415</u>	<u>\$ 7,835,475</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, 2021**

Total fund balances for governmental funds \$ 6,619,774

Total net position for governmental activities in the statement of net position is different because:

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

Governmental capital assets	66,539,857
Less accumulated depreciation	<u>(41,600,081)</u>
Net capital assets	<u>24,939,776</u>

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

Property tax and interest receivables greater than 60 days	129,299
Net pension asset	9,113

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

General obligation bonds payable	(1,785,000)
Compensated absences	(194,115)
Net pension liability	(568,966)
Total OPEB liability	(168,473)
Interest payable on bonds	(10,497)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension and total OPEB liabilities are reported in the statement of net position. (586,343)

Net position of governmental activities

\$ 28,384,568

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, 2021

	General	Reserve for Capital and Nonrecurring Expenditures Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 19,155,924	\$ -	\$ -	\$ -	\$ 19,155,924
Intergovernmental	2,333,947	54,673	-	-	2,388,620
Licenses, permits and fees	227,167	-	-	14,783	241,950
Charges for goods and services	285,344	-	-	45,315	330,659
Interest and investment income	12,267	1,491	-	-	13,758
Capital surcharge	-	2,922	-	-	2,922
Miscellaneous	141,339	-	-	22,448	163,787
Total revenues	22,155,988	59,086	-	82,546	22,297,620
EXPENDITURES					
Current:					
General government	1,554,276	45,257	-	1,081	1,600,614
Public safety	580,733	-	-	28,438	609,171
Highway	929,092	-	-	-	929,092
Sanitation and health	389,641	-	-	-	389,641
Conservation and land use	64,957	-	-	-	64,957
Recreation	125,766	-	-	-	125,766
Community services	460,037	-	-	36,621	496,658
Welfare	10,967	-	-	12,584	23,551
Education	15,314,432	-	-	-	15,314,432
Debt service	431,632	-	-	-	431,632
Capital outlays	-	1,514,998	-	-	1,514,998
Total expenditures	19,861,533	1,560,255	-	78,724	21,500,512
Excess (deficiency) of revenues over expenditures	2,294,455	(1,501,169)	-	3,822	797,108
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	2,150,361	-	10,000	2,160,361
Operating transfers out	(2,160,361)	-	-	-	(2,160,361)
Total other financing sources (uses)	(2,160,361)	2,150,361	-	10,000	-
Net change in fund balances	134,094	649,192	-	13,822	797,108
Fund balances - July 1, 2020, as restated	5,426,266	275,807	-	120,593	5,822,666
Fund balances - June 30, 2021	<u>\$ 5,560,360</u>	<u>\$ 924,999</u>	<u>\$ -</u>	<u>\$ 134,415</u>	<u>\$ 6,619,774</u>

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

**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, 2021**

Net change in fund balances - total governmental funds \$ 797,108

Total change in net position reported for governmental activities in the statement of activities is different because:

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

Capital outlay	1,443,509
Depreciation expense	(1,366,968)

Certain revenues reported in the statement of activities do not provide current financial resources and therefore are reported as deferred inflows of resources in governmental funds.

Property taxes and interest receivable - accrual basis change	(85,260)
Net pension asset	9,113

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Principal payments on general obligation bonds	400,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest payable	2,353
Change in compensated absences	(35,819)
Change in net pension liability	682,246
Change in total OPEB liability	(18,757)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension and total OPEB liabilities are amortized as components of pension and OPEB expense in the statement of activities.	<u>(538,049)</u>
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Change in net position of governmental activities	<u>\$ 1,289,476</u>
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The accompanying notes to the financial statements are an integral part of this statement.

**STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY
FUNDS
JUNE 30, 2021**

	<u>Pension Trust Funds</u>
ASSETS	
Cash and cash equivalents	\$ 249,586
Investments	<u>4,134,475</u>
Total assets	<u>4,384,061</u>
NET POSITION	
Restricted for:	
Pensions	<u>4,384,061</u>
Total net position	<u><u>\$ 4,384,061</u></u>

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

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Pension Trust Funds</u>
ADDITIONS	
Employer contributions	<u>\$ 193,599</u>
Investment return: Investment income	63,957
Net increase in fair value of investments	<u>788,173</u>
Total investment return	852,130
Less investment expenses	<u>26,357</u>
Net investment return	<u>825,773</u>
Total additions	<u>1,019,372</u>
DEDUCTIONS	
Benefits paid	<u>229,921</u>
Total deductions	<u>229,921</u>
Change in net position	789,451
Net position - July 1, 2020	<u>3,594,610</u>
Net position - June 30, 2021	<u>\$ 4,384,061</u>

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

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 organization, to which the Town appropriates funds annually, does not meet the above criteria and is not included in the reporting entity:

The Board of Selectmen is responsible for appointing two members to the Board of the Killingworth Library Association, Inc. (Library) 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 \$269,500 for the year ended June 30, 2021.

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.

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.

The American Rescue Plan Act Fund is a special revenue fund which is used to account for and report the proceeds of Federal Coronavirus Local Fiscal Recovery Funds that are restricted to expenditures for specified purposes.

Additionally, the Town reports the following fund type:

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.

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 the transfer 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.

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 once 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 (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial 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. Custodial funds are custodial in nature.

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, 2021 are stated net of an allowance for uncollectible amounts of \$13,000.

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).

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, 2021, 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

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 pensions and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension results from differences between expected and actual experience and changes in assumptions. A deferred outflow of resources related to OPEB results from changes in assumptions. 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).

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, changes in assumptions and net differences between projected and actual earnings. 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.

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, 2021 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 Asset / Liability

The net pension asset / 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.

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.

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.

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- 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.

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 15, 2021, the date the financial statements were available to be issued.

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.

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.

Additional appropriations of \$1,131,199 was made during the year for transfer to capital reserve and to fund certain overexpenditures in excess of \$20,000.

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.”

The following is a summary of cash and cash equivalents at June 30, 2021:

	<u>Government-Wide</u> <u>Funds</u> Statement of	<u>Fiduciary</u> Statement of
	<u>Net Position</u>	<u>Net Position</u>
Cash and cash equivalents: Cash on hand and on deposit		
Money market funds	-	<u>249,586</u>
Total cash and cash equivalents		

As of year-end, the Town’s bank balances were \$8,053,386.

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, 2021 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 \$13,000,000 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.

As of June 30, 2021, the Town's investments consisted of the following:

	<u>Fiduciary Funds</u> Statement of Net Position
U.S. government and related obligations	\$ 404,959
Corporate bonds	731,603
Equity mutual funds	2,626,322
Fixed income mutual funds	<u>371,591</u>
 Total investments	 <u>\$ 4,134,475</u>

At June 30, 2021, 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	\$ 404,959	\$ -	\$ 308,109	\$ 96,643	\$ 207
Corporate bonds	<u>731,603</u>	<u>23,167</u>	<u>276,033</u>	<u>432,403</u>	<u>-</u>
 Mutual funds **	 <u>1,136,562</u> <u>2,997,913</u> <u>\$4,134,475</u>	 <u>\$ 23,167</u>	 <u>\$584,142</u>	 <u>\$529,046</u>	 <u>\$ 207</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.

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, 2021, 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.

Assets measured at fair value at June 30, 2021, mutual funds are based on quoted prices in active markets (Level 1). Assets measured at fair value at June 30, 2021, U.S. Government and related obligations and corporate bonds are based on significant other observable inputs (Level 2).

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	
Interest	<u>36,728</u>
Gross receivables	172,314
Less: allowance for uncollectibles	<u>(13,000)</u>
Net total receivables	<u>\$ 159,314</u>

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.

B. Interfund Transfers

Interfund transfers for the year ended June 30, 2021, consisted of the following, as reported in the fund financial statements:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Major Governmental Fund:		
Reserve Fund for Capital and Nonrecurring Expenditures	2,150,361	-
Nonmajor Governmental Funds:		
Dog Fund	<u>10,000</u>	<u>-</u>
	<u>\$ 2,160,361</u>	<u>\$ 2,160,361</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.

6 - Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Governmental activities:				
Capital Assets, not being depreciated				
Land	\$ 3,821,535	\$ -	\$ -	\$ 3,821,535
Construction in progress	317,930	20,160	(137,164)	200,926
Total capital assets, not being depreciated	4,139,465	20,160	(137,164)	4,022,461
Capital assets, being depreciated				
Land improvements	2,498,050	-	-	2,498,050
Buildings and improvements	4,418,681	-	-	4,418,681
Equipment and vehicles	5,484,458	184,546	-	5,669,004
Infrastructure	48,555,694	1,375,967	-	49,931,661
Total capital assets, being depreciated	60,956,883	1,560,513	-	62,517,396
Less: accumulated depreciation for:				
Land improvements	1,320,712	76,733	-	1,397,445
Buildings and improvements	1,901,484	92,596	-	1,994,080
Equipment and vehicles	4,123,905	264,314	-	4,388,219
Infrastructure	32,887,012	933,325	-	33,820,337
Total accumulated depreciation	40,233,113	1,366,968	-	41,600,081
Total capital assets, being depreciated, net	20,723,770	193,545	-	20,917,315
Total Government-wide capital assets, net	\$ 24,863,235	\$ 213,705	(\$ 137,164)	\$ 24,939,776

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

General government	\$ 37,351
Public safety	181,888
Highway	1,017,014
Recreation	93,092
Community services	<u>37,623</u>
Total	<u>\$ 1,366,968</u>

7 - Long-Term Obligations

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

	Balance <u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2021</u>	Due Within <u>One Year</u>
Governmental Activities:					
General obligation bond	\$ 2,185,000	\$ -	\$ 400,000	\$ 1,785,000	\$ 390,000
Net pension liability	1,251,212	-	682,246	568,966	
Total OPEB liability	149,716	18,757	-	168,473	
Compensated absences	<u>158,296</u>	<u>71,838</u>	<u>36,019</u>	<u>194,115</u>	<u>118,139</u>
	<u>\$ 3,744,224</u>	<u>\$ 90,595</u>	<u>\$1,118,265</u>	<u>\$ 2,716,554</u>	<u>\$ 508,139</u>

General Obligation Bond Payable

At June 30, 2021, the Town had a general obligation bond in the amount of \$1,785,000 outstanding. The bond, dated November 7, 2016, matures over 10 years at an interest rate of 1.59%.

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

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 390,000	\$ 25,281
2023	385,000	19,120
2024	375,000	13,078
2025	370,000	7,155
2026	160,000	2,944
2027	<u>105,000</u>	<u>835</u>
	<u>\$ 1,785,000</u>	<u>\$ 68,413</u>

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, 2021, the outstanding bonded indebtedness of the District was \$8,610,000 with Killingworth's share being 38.60% or \$3,323,460. 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, 2021.

Debt Limitation

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

8 - Fund Balance

	General Fund	Reserve Fund For Capital and Nonrecurring Expenditures	American Rescue Plan Act Fund	Non-major Governmental Funds	Total
Fund balances:					
Restricted for:					
General government	\$ -	\$ -	\$ -	\$ 14,154	\$ 14,154
Public safety	-	-	-	29,692	29,692
Community services	-	-	-	67,918	67,918
Welfare	-	-	-	22,651	22,651
Committed to:					
Capital projects	-	643,820	-	-	643,820
Assigned to:					
Subsequent year's budget	176,443	-	-	-	176,443
Capital projects	-	281,179	-	-	281,179
Unassigned	<u>5,383,917</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,383,917</u>
Total fund balances	<u>\$ 5,560,360</u>	<u>\$ 924,999</u>	<u>\$ -</u>	<u>\$ 134,415</u>	<u>\$ 6,619,774</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.

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, 2021:

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

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.

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.

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

<u>Years of Plan Participation</u>	<u>Vested Percentage</u>
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 July 1, 2021:

Inactive plan members or beneficiaries	
currently receiving benefits	26
Inactive plan members entitled to but	
not yet receiving benefits	20
Active plan members	<u>51</u>
Total	<u><u>97</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.

The individual plan fiduciary net position at June 30, 2021 and changes in fiduciary 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	\$ 159,511	\$ 90,075	\$ 249,586
Investments	2,658,600	1,475,875	4,134,475
Total assets	<u>\$ 2,818,111</u>	<u>\$ 1,565,950</u>	<u>\$ 4,384,061</u>
NET POSITION			
Restricted for: pensions	\$ 2,818,111	\$ 1,565,950	\$ 4,384,061
Total net position	<u>\$ 2,818,111</u>	<u>\$ 1,565,950</u>	<u>\$ 4,384,061</u>
ADDITIONS			
Contributions:			
Employer	\$ 104,421	\$ 89,178	\$ 193,599
Total contributions	<u>104,421</u>	<u>89,178</u>	<u>193,599</u>
Investment return:			
Investment income	40,548	23,409	63,957
Net increase in the fair value of investments	508,756	279,417	788,173
Total investment return	<u>549,304</u>	<u>302,826</u>	<u>852,130</u>
Less investment expenses	16,880	9,477	26,357
Net investment return	<u>532,424</u>	<u>293,349</u>	<u>825,773</u>
Total additions	<u>636,845</u>	<u>382,527</u>	<u>1,019,372</u>
DEDUCTIONS			
Benefit payments	114,581	115,340	229,921
Total deductions	<u>114,581</u>	<u>115,340</u>	<u>229,921</u>
Change in fiduciary net position	<u>522,264</u>	<u>267,187</u>	<u>789,451</u>
NET POSITION, beginning	<u>2,295,847</u>	<u>1,298,763</u>	<u>3,594,610</u>
NET POSITION, ending	<u>\$ 2,818,111</u>	<u>\$ 1,565,950</u>	<u>\$ 4,384,061</u>

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, 2021:

<u>Asset Class</u>	<u>Municipal Employees Target Allocation</u>	<u>Volunteer Fire Target Allocation</u>
Large Cap Equity	24.00 %	24.00 %
Mid Cap Equity	10.00	10.00
Small Cap Equity	4.00	4.00
Emerging Markets Equity	22.00	22.00
Emerging Markets Fixed Income	2.00	2.00
High Yield Fixed Income	2.00	2.00
Short-term Fixed Income	2.00	2.00
Separately Managed Individual Bonds	33.00	33.00
Cash Equivalents	<u>1.00</u>	<u>1.00</u>
	<u>100.00 %</u>	<u>100.00 %</u>

Rate of return - For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension investment expense, was as follows:

Municipal Employees	23.35 %
Volunteer Fire	23.12

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

Net Pension (Asset) Liability

The components of the net pension liability of the Town at June 30, 2021, were as follows:

	<u>Town Employees</u>	<u>Volunteer Fire</u>	<u>Total</u>
Total pension liability	\$ 2,808,998	\$ 2,134,916	\$ 4,943,914
Plan fiduciary net position	<u>2,818,111</u>	<u>1,565,950</u>	<u>4,384,061</u>
Town's net pension (asset) liability	<u>(\$ 9,113)</u>	<u>\$ 568,966</u>	<u>\$ 559,853</u>
Plan fiduciary net position as a percentage of the total pension liability	100.32%	73.35%	

Actuarial assumptions - the total pension liability was determined by an actuarial valuation as of July 1, 2019 and increased by service cost and interest and decreased by benefit payments to estimate the total pension liability as of June 30, 2021. 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 adjusted to 2006 with MP-2019 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.

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, 2021 (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 Equivalents	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.

Changes in the Net Pension Liability

Town Employees Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances, June 30, 2020	<u>\$ 2,784,695</u>	<u>\$ 2,295,847</u>	<u>\$ 488,848</u>
Changes for the year:			
Service cost	64,900	-	64,900
Interest	177,281	-	177,281
Differences between expected and actual experience	(89,849)	-	(89,849)
Effect of assumptions changes or inputs	(13,448)	-	(13,448)
Contributions - employer	-	104,421	(104,421)
Net investment return	-	532,424	(532,424)
Benefit payments, including refunds of member contributions	<u>(114,581)</u>	<u>(114,581)</u>	<u>-</u>
Net changes	<u>24,303</u>	<u>522,264</u>	<u>(497,961)</u>
Balances, June 30, 2021	<u>\$ 2,808,998</u>	<u>\$ 2,818,111</u>	<u>(\$ 9,113)</u>
Volunteer Fire Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances, June 30, 2020	<u>\$ 2,061,127</u>	<u>\$ 1,298,763</u>	<u>\$ 762,364</u>
Changes for the year:			
Service cost	25,711	-	25,711
Interest	130,225	-	130,225
Difference between expected and actual experience	42,751	-	42,751
Effect of assumptions changes or inputs	(9,558)	-	(9,558)
Contributions - employer	-	89,178	(89,178)
Net investment return	-	293,349	(293,349)
Benefit payments	<u>(115,340)</u>	<u>(115,340)</u>	<u>-</u>
Net changes	<u>73,789</u>	<u>267,187</u>	<u>(193,398)</u>
Balances, June 30, 2021	<u>\$ 2,134,916</u>	<u>\$ 1,565,950</u>	<u>\$ 568,966</u>

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:

	<u>1% Decrease (5.50%)</u>	<u>Current Discount Rate (6.50%)</u>	<u>1% Increase (7.50%)</u>
Town Employees net pension (asset) liability			
Volunteer Fire net pension liability			

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

For the year ended June 30, 2021, the Town recognized pension expense of \$67,974 and \$67,743 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:

	<u>Town Employees</u>	<u>Volunteer Fire</u>	<u>Total</u>
Deferred Outflows:			
Differences between actual and expected experience	\$ 12,139	\$ 81,209	93,348
Changes of assumptions	<u>73,963</u>	<u>119,173</u>	<u>193,136</u>
Totals	<u>\$ 86,102</u>	<u>\$ 200,382</u>	<u>\$ 286,484</u>

Deferred Inflows:			
Net difference between projected and actual earnings on pension plan investments	(\$ 237,758)	(\$ 134,102)	(\$ 371,860)
Differences between actual and expected experience	(234,468)	(224,699)	(459,167)
Changes of assumptions	<u>(21,188)</u>	<u>(19,224)</u>	<u>(40,412)</u>

Totals	<u>(\$ 493,414)</u>	<u>(\$ 378,025)</u>	<u>(\$ 871,439)</u>
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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 5.39 and 18.40 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:

<u>Year ending June 30</u>	<u>Town Employee</u>	<u>Volunteer Fire</u>	<u>Total</u>
2022	(\$ 83,494)	(\$ 32,452)	(\$ 115,946)
2023	(92,739)	(36,961)	(129,700)
2024	(100,261)	(40,737)	(140,998)
2025	(116,088)	(48,728)	(164,816)
2026	(14,297)	(6,194)	(20,491)
Thereafter	(253)	(12,571)	(12,824)

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, 2021, there were 4 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 contributed \$20,489 and \$8,242, respectively, not including rollover contributions and forfeitures, to the plan in the year ended June 30, 2021. 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.

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 GASB 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 the lesser of 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, 2021:

Inactive employees or beneficiaries currently receiving benefit payments	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>8</u>
Total	<u><u>8</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.

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

Total OPEB Liability

The Town's total OPEB liability of \$168,473 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2021. Actuarial assumptions were as follows:

Inflation	2.00%
Salary increases	N/A
Discount rate	2.18%
Healthcare cost trend rates	3.0% per year

The discount rate was based on the S&P Municipal Bond 20-Year High Grade Rate.

Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table adjusted to 20116 with MP-2020 mortality improvements.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance, June 30, 2020	\$ 149,716
Changes for the year:	
Service cost	7,985
Interest	3,982
Differences between expected and actual experience	2,892
Changes in assumptions or other inputs	<u>3,898</u>
Net change	<u>18,757</u>
Balance, June 30, 2021	<u>\$ 168,473</u>

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

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 2.18%, 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 (1.18%) or 1-percentage-point higher (3.18%) than the current rate:

1% Decrease <u>(1.18%)</u>	Discount Rate <u>(2.18%)</u>	1% Increase <u>(3.18%)</u>
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Total OPEB liability

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 <u>(2.00%)</u>	Healthcare Cost Trend Rate <u>(3.00%)</u>	1% Increase <u>(4.00%)</u>
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Total OPEB liability

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

For the year ended June 30, 2021, the Town recognized OPEB expense of \$10,867. At June 30, 2021, the Town reported deferred inflows of resources related to OPEB from the following sources:

<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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Differences between actual and expected experience \$

Changes of assumptions	<u>8,959</u>	<u>(2,227)</u>
	<u>\$ 11,533</u>	<u>(\$ 12,921)</u>

The changes in assumptions and differences between actual and expected experience is amortized over 9.09 years.

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

<u>Year ending June 30</u>	
2022	(\$ 1,100)
2023	(1,100)
2024	(1,100)
2025	(1,100)
2026	611
Thereafter	2,401

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, 2021, 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.

12 - Commitments, Contingencies and Uncertainties

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.

In March 2020, the World Health Organization declared the spread of COVID-19 virus a pandemic. The actions taken, or failure to act, on the part of governments, institutions and the public to contain it on a global basis is having an adverse impact on global business and economic activity. The impact of COVID-19 on future operations and financial results of the Town cannot be determined at this time.

13 - *New Accounting Pronouncements*

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities (GASB 84). The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020.

The Town has implemented the provisions of GASB 84 in the accompanying financial statements under a retrospective basis. Accordingly, an adjustment has been recorded to increase the fund balance of the nonmajor governmental funds at June 30, 2020 in the amount of \$406 with a corresponding decrease in the net position of the custodial funds.

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, 2021

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Property Taxation:				
General tax receipts	\$ 18,796,652	\$ 18,796,652	\$ 19,086,430	\$ 289,778
Other tax collections	30,000	30,000	69,494	39,494
	<u>18,826,652</u>	<u>18,826,652</u>	<u>19,155,924</u>	<u>329,272</u>
Intergovernmental Revenues:				
Education equalization grant	1,677,663	1,677,663	1,677,827	164
Town aid roads	249,802	249,802	249,852	50
PILOT - State owned property	50,606	50,606	50,606	-
Local capital improvement program	53,188	53,188	-	(53,188)
Veterans tax relief	4,175	4,175	3,313	(862)
Disabled grant	304	304	434	130
Municipal revenue sharing/grants for municipal projects	161,102	161,102	161,102	-
Other federal, state and local grants	-	-	190,813	190,813
	<u>2,196,840</u>	<u>2,196,840</u>	<u>2,333,947</u>	<u>137,107</u>
Licenses, Fees and Permits	125,000	125,000	227,167	102,167
Charges for Goods and Services	115,000	115,000	285,344	170,344
Interest and Investment Income	40,000	40,000	12,267	(27,733)
Miscellaneous	100,000	100,000	141,339	41,339
Appropriation of Prior Year Fund Balance	-	1,131,199	1,131,199	-
Total Revenues	<u>\$ 21,403,492</u>	<u>\$ 22,534,691</u>	<u>\$ 23,287,187</u>	<u>\$ 752,496</u>

	Original Budget	Revised Budget	Actual	Variance With Final Budget
General Government:				
First Selectman - salary	\$ 78,109	\$ 78,109	\$ 78,109	\$ -
First Selectman - meeting expense	500	500	58	442
First Selectman - mileage	1,500	321	75	246
Selectmen's salary	8,160	8,160	8,160	-
Town office building- secretary	14,180	14,154	14,134	20
Finance Director - salary	80,947	80,947	80,947	-
Administrative Assistant	52,425	52,425	52,425	-
Office expense	21,310	54,297	54,297	-
Probate court support	2,130	2,130	1,948	182
Board of Elections - salaries	12,000	13,179	13,179	-
Board of Elections - expenses	27,200	22,708	22,708	-
Board of Finance - expenses	3,200	3,036	2,744	292
Board of Finance - audit	25,500	25,500	25,500	-
Annual capital transfer - transfer to capital reserve	1,060,000	2,150,361	2,150,361	-
Contingency	1	1	-	1
Grant writer	1	1	-	1
Assessor - salary	23,400	23,875	23,875	-
Assistant assessor	43,467	43,467	43,455	12
Assessor - expenses	6,330	5,855	5,191	664
Board of assessment appeals - expenses	500	500	-	500
Tax collector - salary	52,934	52,934	52,934	-
Tax collector clerk - salary	21,270	21,270	21,161	109
Tax collector - expenses	3,440	2,059	2,059	-
Treasurer - stipend	4,199	4,199	4,199	-
Treasurer - Deputy stipend	800	800	800	-
Town Counsel - fees	30,000	62,199	62,199	-
Town Engineer - fees	25,000	7,195	7,195	-
Town Clerk - salary	65,992	65,992	65,992	-
Town Clerk Assistant A - salary	54,127	54,394	54,394	-
Town Clerk Assistant B - salary	16,369	10,634	10,358	276
Town Clerk - expenses	30,900	24,491	24,491	-
Building official - salary	35,000	27,360	27,360	-
Building official - expenses	5,300	6,828	6,828	-
Land use secretary - salary	40,432	41,409	41,409	-
Water testing fees	3,770	6,220	6,220	-
Buildings and grounds	46,325	42,993	42,857	136
Electricity	29,430	27,435	27,434	1
Duplicating expense	3,000	3,253	3,253	-
Postage/meter rental	12,000	12,467	12,467	-
Telephone expense	7,500	11,467	11,467	-
Town office building - custodian	6,500	5,841	5,585	256
Fire/liability/casualty insurance	70,000	70,000	69,161	839
Workers compensation insurance	44,509	44,509	44,507	2
Unemployment insurance	1	1	-	1
Social security/medicare	80,000	77,550	76,517	1,033
Medical/dental insurance	215,000	218,450	218,450	-
Life/disability insurance	7,400	7,456	7,456	-
Pension plans	113,421	112,417	112,365	52
Actuarial expense	3,500	3,850	3,850	-
Computer supplies	6,000	6,000	5,462	538
Computer maintenance and licenses	39,056	35,606	34,738	868
GIS applications	3,500	3,500	3,500	-
Town website	3,000	5,355	5,355	-
Internet access	1,700	1,700	934	766
IT network support	47,982	52,500	52,500	-
Total General Government	2,590,217	3,709,860	3,702,623	7,237

... Continued ...

... Continued ...

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Public Safety:				
Fire company	\$ 136,201	\$ 136,201	\$ 136,201	\$ -
Ambulance/fire company incentive program	89,178	89,178	89,178	-
KVFC/KAA life insurance	23,000	25,858	25,858	-
Actuarial expense	7,000	7,000	7,000	-
Fire Marshal - stipend	20,000	20,000	20,000	-
Fire Marshal - expenses	3,700	3,700	3,598	102
Open burning official - salary	1,000	1,000	1,000	-
Office of emergency management	7,050	3,478	3,478	-
Emergency planning committee	1	1	-	1
Resident State Trooper - assessment	179,323	172,462	172,462	-
Resident State Trooper - expenses	46,905	27,639	27,639	-
Paramedic obligation	6,370	7,970	7,970	-
Valley Shore emergency communications	86,349	86,349	86,349	-
Total Public Safety	606,077	580,836	580,733	103
Highway:				
Foreman - salary	86,882	86,882	86,882	-
Mechanic - salary	62,525	62,525	62,525	-
Driver/Operator - salary	136,074	136,074	136,074	-
OT/special	8,500	9,736	9,736	-
Highway - other	448,604	424,193	424,193	-
Snow removal	203,000	195,698	195,698	-
Groundkeepers/contractors	5,000	4,175	4,175	-
Cemetery care	11,000	8,604	8,604	-
Total Highway	961,585	927,887	927,887	-
Sanitation and Health:				
Compactor - supervisor's salary	19,879	19,286	19,286	-
Compactor - attendant salary	33,660	32,696	32,696	-
Compactor - maintenance and operations	25,851	79,138	79,138	-
Carting and disposal expense	114,250	104,507	104,507	-
Bulky waste disposal	76,500	71,265	71,265	-
Mosquito control	1	-	-	-
Hazardous waste collection	11,600	13,735	13,735	-
Health Director	53,738	64,453	64,453	-
Restaurant sanitarian	2,130	3,720	3,720	-
Sanitarian - expenses	2,356	671	671	-
Public health nurse	360	-	-	-
Vital statistics	200	30	30	-
Total Sanitation and Health	340,525	389,501	389,501	-
Conservation and Land Use:				
Planning and zoning	4,000	270	270	-
Land use reporting requirement	6,000	6,000	5,278	722
Zoning enforcement officer - salary	33,142	33,142	33,142	-
Zoning enforcement officer - expenses	1,000	1,000	-	1,000
Zoning Board of Appeals	500	500	-	500
Conservation commission	500	500	44	456
Inlands wetlands commission	700	700	175	525
Inlands wetlands enforcement officer - salary	22,096	22,096	22,096	-
Inlands wetlands enforcement officer - expenses	500	500	-	500
Connecticut River conservation district	1,661	1,661	1,661	-
Tree warden	2,500	2,500	2,040	460
Total Conservation and Land Use	72,599	68,869	64,706	4,163

... 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, 2021
... Continued ...

	Original Budget	Revised Budget	Actual	Variance With Final Budget
Recreation:				
Killingworth park and recreation commission	\$ 60,000	\$ 54,356	\$ 54,356	\$ -
H-K regional recreation	71,415	71,415	71,410	5
Total Recreation	131,415	125,771	125,766	5
Community Services:				
Library	269,500	269,500	269,500	-
Animal control (dog fund) support	10,000	10,000	10,000	-
Parmelee Farm committee	12,000	11,494	10,766	728
Town office building committee	1	1	-	1
Open space committee	1	1	-	1
Open space acquisition expense	1	1	-	1
Friendly fund/helping hands	1,000	1,000	14	986
LCRVCOG	10,175	10,175	10,175	-
Community Renewal Team	3,000	3,000	3,000	-
Estuary Council of Seniors, Inc.	17,427	17,427	17,427	-
Estuary Transit District	9,665	9,665	9,665	-
Literacy Volunteers	500	500	500	-
H-K Youth and Family Services	83,140	83,140	83,140	-
The Connection - Eddy Shelter	1,000	1,000	1,000	-
Council of Small Towns	825	825	825	-
CT Conference of Municipalities	3,643	3,643	3,643	-
Tax abatements and refunds	20,000	49,875	49,875	-
Miscellaneous grants	1	507	507	-
Miscellaneous government refunds	1	1	-	1
Total Community Services	441,880	471,755	470,037	1,718
Welfare:				
Social services/municipal agent	10,000	10,948	10,948	-
Administration expenses	100	100	14	86
Total Welfare	10,100	11,048	10,962	86
Debt and Lease Obligations: Bonding				
	431,562	431,632	431,632	-
Total Debt and Lease Obligations	431,562	431,632	431,632	-
Total Operating Expenditures	5,585,960	6,717,159	6,703,847	13,312
Education				
	15,314,432	15,314,432	15,314,432	-
Total Expenditures	\$ 20,900,392	\$ 22,031,591	\$ 22,018,279	\$ 13,312
Excess of Revenues over Expenditures	\$ 503,100	\$ 503,100	\$ 1,268,908	\$ 765,808

**TOWN OF KILLINGWORTH, CONNECTICUT NOTE
TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (Budgetary Basis)	\$ 23,287,187	\$ 22,018,279
Use of fund balance is not a GAAP Basis item	(1,131,199)	-
Accrued payroll is not budgeted. This amount represents the change in accrued payroll.	<u>-</u>	<u>3,615</u>
GAAP Basis	<u><u> </u></u>	<u><u> </u></u>

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 64,900	\$ 61,736	\$ 61,411	\$ 57,237	\$ 59,216	\$ 63,781	\$ 62,886	\$ 60,467
Interest	177,281	172,356	164,738	160,414	175,757	174,821	170,601	162,008
Changes to assumptions	(13,448)	(8,743)	(7,139)	144,907	-	-	-	-
Difference between expected and actual experience	(89,849)	(35,001)	20,776	(169,721)	(79,507)	(31,449)	-	-
Benefit payments, including refunds of member contributions	(114,581)	(114,581)	(130,580)	(122,057)	(274,687)	(112,852)	(106,008)	(98,386)
Net change in total pension liability	24,303	75,767	109,206	70,780	(119,221)	94,301	127,479	124,089
Total pension liability - beginning	2,784,695	2,708,928	2,599,722	2,528,942	2,648,163	2,553,862	2,426,383	2,302,294
Total pension liability - ending (a)	\$ 2,808,998	\$ 2,784,695	\$ 2,708,928	\$ 2,599,722	\$ 2,528,942	\$ 2,648,163	\$ 2,553,862	\$ 2,426,383
Plan fiduciary net position								
Contributions - employer	\$ 104,421	\$ 96,722	\$ 96,722	\$ 112,425	\$ 104,319	\$ 104,018	\$ 106,018	\$ 114,671
Net investment return	532,424	73,645	109,345	95,044	159,021	(7,770)	2,446	246,895
Benefit payments, including refunds of member contributions	(114,581)	(114,581)	(130,580)	(122,057)	(274,687)	(112,852)	(106,008)	(98,386)
Net change in plan fiduciary net position	522,264	55,786	75,487	85,412	(11,347)	(16,604)	2,456	263,180
Plan fiduciary net position - beginning	2,295,847	(2,240,061)	(2,164,574)	(2,079,162)	2,090,509	2,107,172	(2,104,716)	(1,841,536)
Plan fiduciary net position - ending (b)	\$ 2,818,111	\$ 2,295,847	\$ 2,240,061	\$ 2,164,574	\$ 2,079,162	\$ 2,090,568	\$ 2,107,172	\$ 2,104,716
Town's net pension liability (asset) - ending (a) - (b)	(\$ 9,113)	\$ 488,848	\$ 468,867	\$ 435,148	\$ 449,780	\$ 557,595	\$ 446,690	\$ 321,667
Plan fiduciary net position as a percentage of the total pension liability	100.32 %	82.45 %	82.69 %	83.26 %	82.21 %	78.94 %	82.51 %	86.74 %
Covered-employee payroll	\$ 619,479	\$ 633,603	\$ 623,075	\$ 598,381	\$ 580,287	\$ 652,649	\$ 702,696	\$ 702,696
Net pension liability as a percentage of covered-employee payroll	-1.47 %	77.15 %	75.25 %	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.

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 25,711	\$ 18,878	\$ 31,871	\$ 29,523	\$ 27,072	\$ 35,845	\$ 49,081	\$ 45,082
Interest	130,225	131,634	132,371	125,841	126,986	123,654	126,159	119,901
Changes to assumptions	(9,558)	(6,291)	(5,597)	153,053	-	-	-	-
Difference between expected and actual experience	42,751	(52,276)	(56,414)	(96,813)	55,336	(29,680)	(75,026)	-
Benefit payments, including refunds of member contributions	(115,340)	(111,900)	(115,256)	(107,038)	(67,874)	(96,572)	(75,964)	(83,100)
Net change in total pension liability	73,789	(19,955)	(13,025)	104,566	141,520	33,247	24,250	81,883
Total pension liability - beginning	2,061,127	2,081,082	2,094,107	1,989,541	1,848,021	1,814,774	1,790,524	1,708,641
Total pension liability - ending (a)	\$ 2,134,916	\$ 2,061,127	\$ 2,081,082	\$ 2,094,107	\$ 1,989,541	\$ 1,848,021	\$ 1,814,774	\$ 1,790,524
Plan fiduciary net position								
Contributions - employer	\$ 89,178	\$ 102,371	\$ 102,371	\$ 111,334	\$ 128,000	\$ 140,376	\$ 100,000	\$ 83,100
Net investment return	293,349	44,575	62,113	54,583	86,163	(7,226)	(3,128)	116,461
Benefit payments, including refunds of member contributions	(115,340)	(111,900)	(115,256)	(107,038)	(67,874)	(96,572)	(75,964)	(83,100)
Net change in plan fiduciary net position	267,187	35,046	49,228	58,879	146,289	36,578	20,908	116,461
Plan fiduciary net position - beginning	1,298,763	1,263,717	1,214,489	1,155,610	1,009,321	972,743	951,835	835,374
Plan fiduciary net position - ending (b)	\$ 1,565,950	\$ 1,298,763	\$ 1,263,717	\$ 1,214,489	\$ 1,155,610	\$ 1,009,321	\$ 972,743	\$ 951,835
Town's net pension liability - ending (a) - (b)	\$ 568,966	\$ 762,364	\$ 817,365	\$ 879,618	\$ 833,931	\$ 838,700	\$ 842,031	\$ 838,689
Plan fiduciary net position as a percentage of the total pension liability	73.35 %	63.01 %	60.72 %	58.00 %	58.08 %	54.62 %	53.60 %	53.16 %
Covered-employee payroll	N/A	N/A	N/A	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	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.

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 104,421	\$ 96,722	\$ 96,722	\$ 112,425	\$ 104,319	\$ 104,018	\$ 106,018	\$ 114,426
Contribution in relation to the actuarially determined contribution	104,421	96,722	96,722	112,425	104,319	104,018	106,018	114,671
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$ 245)
Covered-employee payroll	\$ 619,479	\$ 633,603	\$ 623,075	\$ 598,381	\$ 580,287	\$ 652,649	\$ 702,696	\$ 702,696
Contributions as a percentage of covered-employee payroll	16.86 %	15.27 %	15.52 %	18.79 %	17.98 %	15.94 %	15.09 %	16.32 %

Notes to Schedule

Valuation date: July 1, 2019

Measurement date: June 30, 2021

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	20 years
Asset valuation method	Fair market value
Discount rate	6.5%
Inflation	2.5%

Salary increases	3.50% per annum
Investment rate of return	6.5 %
Cost of living adjustments	N/A

Retirement age 65
Mortality RP2014 (adjusted to 2006) with MP-2020 mortality improvements

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

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution Contribution	\$ 89,178	\$ 102,371	\$ 102,371	\$ 111,334	\$ 128,000	\$ 140,376	\$ 100,000	\$ 83,100
in relation to the actuarially determined contribution	89,178	102,371	102,371	111,334	128,000	140,376	100,000	83,100
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	N/A	N/A	N/A	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	N/A	N/A	N/A

Notes to Schedule

Valuation date: July 1, 2019
Measurement date: June 30, 2021

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	20 years
Asset valuation method	Fair market value
Discount rate	6.5%
Inflation	2.00%
Salary increases	N/A
Investment rate of return	6.5%
Cost of living adjustments	N/A
Retirement age	65
Mortality	RP-2014 (adjusted to 2006) with MP-2018 mortality improvements.

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 EIGHT FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Annual money weighted rate of return, net of investment expenses								
Municipal Employees Plan	23.35 %	3.31 %	5.09 %	4.61 %	8.22 %	-0.37 %	-0.33 %	13.94 %
Volunteer Fire Company Plan	23.12	3.59	5.21	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.

**TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FOUR FISCAL YEAR**

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 7,985	\$ 7,698	\$ 5,398	\$ 7,379
Interest	3,982	4,321	4,607	4,721
Differences between expected and actual experience	2,892	(3,778)	(3,070)	(10,860)
Effect of assumptions changes or inputs	3,898	3,436	3,852	(4,403)
Net change in total OPEB liability	18,757	11,677	10,787	(3,163)
Total OPEB liability - beginning	149,716	138,039	127,252	130,415
Total OPEB liability - ending	<u>\$ 168,473</u>	<u>\$ 149,716</u>	<u>\$ 138,039</u>	<u>\$ 127,252</u>
Covered-employee payroll	\$ 490,060	\$ 489,151	\$ 429,611	\$ 304,706
Net OPEB liability as a percentage of covered-employee payroll	34.38 %	30.61 %	32.13 %	41.76 %

Notes to Schedule

Change of Assumptions

Investment rate of return

2021	2.18% from 2.21%
2020	2.21% from 3.51%
2019	3.51% from 3.87%

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

**OTHER POST EMPLOYMENT BENEFIT PLAN
LAST FOUR FISCAL YEARS**

	2021	2020	2019	2018
Actuarially determined contribution	\$ 14,477	\$ 12,291	\$ 12,291	\$ 16,081
Contribution in relation to the actuarially determined contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ 14,477</u>	<u>\$ 12,291</u>	<u>\$ 12,291</u>	<u>\$ 16,081</u>
Covered-employee payroll	\$ 490,060	\$ 489,151	\$ 429,611	\$ 304,706
Contributions as a percentage of covered-employee payroll	0.00 %	0.00 %	0.00 %	0.00 %

Notes to Schedule

Valuation date: Measurement date:

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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 dollar, open
Remaining amortization period	30 years
Asset valuation method	N/A
Discount rate Inflation	

Salary increases	4.00% per annum
Investment rate of return Cost of living adjustments	

N/A

Retirement age

62 and 15 years of service

Morta

mortality improvements.

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

RP-2014 Combined Healthy Mortality adjusted to 2006 with MP-2020

**TOWN OF KILLINGWORTH, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021**

	Special Revenue								Total Nonmajor Governmental Funds	
	Dog Fund	Town Clerk Record Preservation	Town Clerk Record Surcharge	Fire Protection Fund	Helping Hands	Friendly Fund	Parmelee Farm	Tax Sale		Total Special Revenue
ASSETS										
Cash and cash equivalents Total	\$ 14,543	\$ 10,905	\$ 3,178	\$ 15,149	\$ 14,090	\$ 8,561	\$ 67,918	\$ 71	\$ 134,415	\$ 134,415
assets	<u>\$ 14,543</u>	<u>\$ 10,905</u>	<u>\$ 3,178</u>	<u>\$ 15,149</u>	<u>\$ 14,090</u>	<u>\$ 8,561</u>	<u>\$ 67,918</u>	<u>\$ 71</u>	<u>\$ 134,415</u>	<u>\$ 134,415</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable and accrued expenses Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:										
Restricted	14,543	10,905	3,178	15,149	14,090	8,561	67,918	71	134,415	134,415
Total fund balance	<u>14,543</u>	<u>10,905</u>	<u>3,178</u>	<u>15,149</u>	<u>14,090</u>	<u>8,561</u>	<u>67,918</u>	<u>71</u>	<u>134,415</u>	<u>134,415</u>
Total liabilities and fund balance	<u>\$ 14,543</u>	<u>\$ 10,905</u>	<u>\$ 3,178</u>	<u>\$ 15,149</u>	<u>\$ 14,090</u>	<u>\$ 8,561</u>	<u>\$ 67,918</u>	<u>\$ 71</u>	<u>\$ 134,415</u>	<u>\$ 134,415</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR
THE YEAR ENDED JUNE 30, 2021**

										Special Revenue		
										Total Town Clerk Clerk	To Fi To No	
										Dog Protection Parmelee	Record Helping Tax	Record Friendly Special Governm
										Fund	Preservation Fund	Sur Hands
										Fund	Sale Revenue	Funds
REVENUES												
Licenses, permits and fees	\$ 8,911	\$ 4,898	\$ 974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,783	\$ 14,783		
Charges for goods and services	-	-	-	-	-	-	45,315	-	45,315	45,315		
Miscellaneous	-	-	-	-	13,530	6,942	1,905	71	22,448	22,448		
Total revenues	<u>8,911</u>	<u>4,898</u>	<u>974</u>	<u>-</u>	<u>13,530</u>	<u>6,942</u>	<u>47,220</u>	<u>71</u>	<u>82,546</u>	<u>82,546</u>		
EXPENDITURES												
Current:												
General government	-	-	675	-	-	-	-	406	1,081	1,081		
Public safety	28,438	-	-	-	-	-	-	-	28,438	28,438		
Community services	-	-	-	-	-	-	36,621	-	36,621	36,621		
Welfare	-	-	-	-	10,138	2,446	-	-	12,584	12,584		
Total expenditures	<u>28,438</u>	<u>-</u>	<u>675</u>	<u>-</u>	<u>10,138</u>	<u>2,446</u>	<u>36,621</u>	<u>406</u>	<u>78,724</u>	<u>78,724</u>		
Excess of revenues over (under) expenditures	(19,527)	4,898	299	-	3,392	4,496	10,599	(335)	3,822	3,822		
OTHER FINANCING SOURCES (USES)												
Operating transfers in	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>		
Total other financing sources (uses)	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>		

Excess of revenues and other financing sources over (under) expenditures	(9,527)	4,898	299	-	3,392	4,496	10,599	(335)	13,822	13,822
Fund balance, July 1, 2020, as restated	<u>24,070</u>	<u>6,007</u>	<u>2,879</u>	<u>15,149</u>	<u>10,698</u>	<u>4,065</u>	<u>57,319</u>	<u>406</u>	<u>120,593</u>	<u>120,593</u>
Fund balance, June 30, 2021	<u>\$ 14,543</u>	<u>\$ 10,905</u>	<u>\$ 3,178</u>	<u>\$ 15,149</u>	<u>\$ 14,090</u>	<u>\$ 8,561</u>	<u>\$ 67,918</u>	<u>\$ 71</u>	<u>\$ 134,415</u>	<u>\$ 134,415</u>

**SCHEDULE OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021**

	Fund Balance July 1, 2020	Transfers In	Fund Balance Designations	Interest And Other Income	Grant Revenue	Expenditures	Project Close-Outs	Fund Balance June 30, 2021
Committed:								
Continuing Projects:								
Open space acquisition	\$ 13,008	\$ -	\$ -	\$ -	\$ -	(\$ 12,000)	\$ -	\$ 1,008
IT upgrades	-	-	24,240	-	-	(22,929)	-	1,311
Revaluation	-	-	90,000	-	-	(45,257)	-	44,743
KVFC radios and communications equipment	107,801	-	-	-	-	(16,160)	-	91,641
KVFC turnout gear replacement	-	-	26,000	-	-	(15,794)	-	10,206
KVFC access control system	-	-	20,000	-	-	(19,892)	(108)	-
KVFC brush/light rescue	-	-	82,000	-	-	-	-	82,000
Highway large payloader	-	-	128,000	-	-	(127,855)	(145)	-
Highway pickup with plow	-	-	60,000	-	-	(56,691)	-	3,309
Transfer station roll off containers	-	-	20,000	-	-	-	-	20,000
THC - repairs to modulars	30,000	-	-	-	-	-	-	30,000
	<u>150,809</u>	<u>-</u>	<u>450,240</u>	<u>-</u>	<u>-</u>	<u>(316,578)</u>	<u>(253)</u>	<u>284,218</u>
Road Projects:								
County Road bridge - phase 2	129,508	-	-	-	-	(875)	(28,633)	100,000
Lower Roast Meat Hill Road - drainage	10,000	-	-	-	-	(4,000)	(6,000)	-
Burr Hill Road - chip seal	37,904	-	-	-	-	(28,299)	(9,605)	-
Emanuel Church Road bridge	187,712	-	-	-	-	(16,112)	-	171,600
Quarry Hill - pave/reclaim	41,280	-	-	-	-	(40,616)	(664)	-
Emanuel Church Road - sectional overlay	-	-	58,700	-	-	(58,000)	(700)	-
Center Roast Meat Hill Road - sectional overlay	-	-	204,255	-	-	(190,000)	(14,255)	-
Bethke Road - culvert	-	-	587,000	-	-	(415,093)	(163,586)	8,321
Reclaim / pave	-	-	211,740	-	-	(187,120)	(24,620)	-
Chip seal	-	-	333,450	-	-	(303,562)	(29,888)	-
	<u>406,404</u>	<u>-</u>	<u>1,395,145</u>	<u>-</u>	<u>-</u>	<u>(1,243,677)</u>	<u>(277,951)</u>	<u>279,921</u>
Sinking Funds:								
Sick/vacation payout at retirement	40,065	-	-	-	-	-	-	40,065
Capital surcharge account	36,694	-	-	2,922	-	-	-	39,616
	<u>76,759</u>	<u>-</u>	<u>-</u>	<u>2,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,681</u>
Total Committed Fund Balance	633,972	-	1,845,385	2,922	-	(1,560,255)	(278,204)	643,820
Assigned Fund Balance	(358,165)	2,150,361	(1,845,385)	1,491	54,673	-	278,204	281,179
Total Fund Balance	<u>\$ 275,807</u>	<u>\$ 2,150,361</u>	<u>\$ -</u>	<u>\$ 4,413</u>	<u>\$ 54,673</u>	<u>(\$ 1,560,255)</u>	<u>\$ -</u>	<u>\$ 924,999</u>

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2021**

List Year	Grand Uncollected										
	Taxes July 1, 2020	Current Year Levy	Additions	Deductions	To Suspense	Taxes Collectible	Taxes	Interest	Liens & Fees	Total	Taxes June 30, 2021
2019	\$ -	\$ 18,961,289	\$ 4,349	\$ 54,896	\$ -	\$ 18,910,742	\$ 18,824,575	\$ 28,274	\$ 1,195	\$ 18,854,044	\$ 86,167
2018	164,901	-	724	1,117	-	164,508	124,585	28,767	502	153,854	39,923
2017	63,301	-	5	15	25,567	37,724	35,419	13,356	228	49,003	2,305
2016	12,874	-	-	-	-	12,874	11,608	7,482	120	19,210	1,266
2015	299	-	-	-	-	299	-	-	-	-	299
2014	286	-	-	-	-	286	-	-	-	-	286
2013	260	-	-	-	-	260	-	-	-	-	260
2012	271	-	-	-	-	271	-	-	-	-	271
2011	271	-	-	-	-	271	-	-	-	-	271
2010	661	-	-	-	-	661	-	-	-	-	661
2009	609	-	-	-	-	609	-	-	-	-	609
2008	601	-	-	-	-	601	-	-	-	-	601
2007	610	-	-	-	-	610	-	-	-	-	610
2006	616	-	-	-	-	616	-	-	-	-	616
2005	1,441	-	-	-	-	1,441	-	-	-	-	1,441
Total	\$ 247,001	\$ 18,961,289	\$ 5,078	\$ 56,028	\$ 25,567	\$ 19,131,773	\$ 18,996,187	\$ 77,879	\$ 2,045	\$ 19,076,111	\$ 135,586

**TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2021**

Total tax collections, (including interest, penalties and late payment of taxes) for immediate preceding fiscal year

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

\$ 19,264,137

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 times base	\$ 43,344,308	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	86,688,617	-	-	-
3-3/4 times base	-	-	72,240,514	-	-
3-1/4 times base	-	-	-	62,608,445	-
3 times base	-	-	-	-	<u>57,792,411</u>
Total Debt Limitation	<u>43,344,308</u>	<u>86,688,617</u>	<u>72,240,514</u>	<u>62,608,445</u>	<u>57,792,411</u>
Indebtedness:					
Regional School District #17 bonds	-	3,323,460	-	-	-
General obligation bonds	<u>1,785,000</u>	-	-	-	-
Total Indebtedness	<u>1,785,000</u>	<u>3,323,460</u>	-	-	-
Debt limitation in excess of outstanding and authorized debt	<u>\$ 41,559,308</u>	<u>\$ 83,365,157</u>	<u>\$ 72,240,514</u>	<u>\$ 62,608,445</u>	<u>\$ 57,792,411</u>
 Total capacity for borrowing (7 times base)		 \$ 134,848,959			
Total present indebtedness		<u>5,108,460</u>			
Margin for additional borrowing		<u>\$ 129,740,499</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, 2021, based on the most current and available information, the indebtedness of the District was \$8,610,000. The Town of Killingworth's share will be 38.60% of the debt, or \$3,323,460. These are the general obligations of Regional School District #17 and its member towns.

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, 2021, and the notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated November 15, 2021.

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) as a basis for designing 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 financial statements. 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 15, 2021

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, 2021. 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, 2021.

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 15, 2021

TOWN OF KILLINGWORTH, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2021

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	\$ 50,606
Property tax relief for veterans	11000-OPM20600-17024	3,313
Property tax reimbursement - disabled exemption	11000-OPM20600-17011	434
Municipal grants-in-aid	12052-OPM20600-43587	5,148
Local capital improvement program	12050-OPM20600-40254	53,710
Department of Transportation:		
Town aid road grants transportation fund	12052-DOT57131-43455-34005	124,926
Town aid road grants transportation fund	13033-DOT57131-43459-34005	124,926
		<u>249,852</u>
Judicial Department:		
Judicial restitution	34001-JUD95162-40001	555
		<u>363,618</u>
Total State Financial Assistance Before Exempt Programs		
Exempt Programs:		
Department of Education:		
Education cost sharing	11000-SDE64000-17041	1,677,827
Office of Policy and Management:		
Municipal stabilization grant	11000-OPM20600-17104	155,954
		<u>1,833,781</u>
Total Exempt Programs		
		<u>\$ 2,197,399</u>

See note to schedule of expenditures of state financial assistance

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, 2021. 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.

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
Department of Transportation:		
Town Aid Road Grants Transportation Fund	12052-DOT57131-43455-34005	\$ 124,926
Town Aid Road Grants Transportation Fund	13033-DOT57131-43459-34005	124,926
		<u>\$ 249,852</u>

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

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... 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.

Fiscal Year 2020-2021 Operating Data

Unaudited

Fiscal year 2020-2021 Operating data not included in the audited financial statements for fiscal year 2020-2021 is as follows:

October 1, 2019 Grand List	\$ 710,787,289
October 1, 2019 Net Taxable Grand List	\$ 708,214,659
Annual Property Tax Levy	\$ 18,929,634
Collection	\$ 18,871,447
Percentage	99.7%

<u>Ten largest taxpayers</u>	<u>Net Assessment</u>
Connecticut Light and Power	\$ 10,379,160
Jensens Residential Communities	\$ 5,666,746
Connecticut Water Company	\$ 3,679,140
Pattaconk Farm LLC	\$ 1,996,100
Anderson Norma R Trustee	\$ 1,986,260
M&M Realty Holdings LLC	\$ 1,867,520
KTV Costfam Limited Partnership	\$ 1,398,960
Roman Laura	\$ 1,323,170
Lockwood Thomas	\$ 1,049,740
Moore Deborah L	\$ 1,039,830

Population	6,392
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Total Direct Debt	\$	1,785,000
Total Direct Net Debt	\$	1,785,000
Total Overall Net Debt	\$	5,108,460
Total Direct Debt / Capita	\$	279
Total Direct Net Debt / Capita	\$	279
Total Overall Debt / Capita	\$	799
Total Direct Debt / Net Taxable Grand list		0.25%
Total Overall Net Debt / Net Taxable Grand List		0.72%