

**WATERFORD/EAST LYME
SHELLFISH COMMISSION
(WELSCO)**

**BUDGET REQUEST
FY2023**

Waterford-East Lyme Shellfish Commission



Date: December 10, 2021

To: Waterford Board of Selectman

From: Peter Harris, Chairman and



Extinct?

RE: Budget request for year 2022-2023

The Waterford - East Lyme Shellfish Commission (WELSCO) requests an appropriation grant for the Budget year of 2022-2023 in the amount of \$3500 from the town of Waterford. Our Warden's boat is a 2009 hull and a new motor purchased in 2019 are in the water year-round with much wear in the winter months. The boat should be replaced in near future because of deteriorating hull. The amount of \$3500 request continues to fund the Niantic River Sewage Pump-Out Boat \$2500 budgeted (last year \$4000). Documentation for this request will continue to come from Pump Boat Organization. The Commission is required by the Town of Waterford (not East Lyme) to have an Annual CPA audit. Because of the Covid19 and our CPA firm retirement we had a two-year Review Engagement 2020-2021 fiscal year at a cost of \$5500; that will be at a cost of \$3000 annually going forward. Our insurance cost has double over the last two fiscal years because of Crew Coverage (water Workers Comp) on the water that is federally mandate. We still need land-based Workers Compensation; Fred Wise & Peter Harris are working with Waterford Town Attorney to see if Wardens can be covered under Town coverage. Last Waterford is charging WELSCO for printing permits, regulations, Posters, etc.

Enclosed is a copy of our Commission financials for several fiscal years, the current Year to Date (YTD) and our Budget for 2022-2023. A copy of our CPA two-year Review Engagement was emailed to First Selectman and Finance Department.

The Commission employs two part time employees, a Chief Warden (~250 hours year), one Warden (~100 hours year). Our total projected Compensation Budget for the coming year can vary according to water & meat sampling requires, transporting samples to Milford DA/BA lab, and if there was a Scallop season. Our Commission's Wardens are patrolling and taking water & meat samples for the East Lyme Harbor Management/Shellfish Commission and the Waterford Shellfish Commission. The other Commissions reimburse WELSCO at a very low \$25 hour that is less than Warden Compensation. We will need to negotiate an increase.

WELSCO serves all residents of Waterford and East Lyme by fulfilling the federal and state compliance of the National Sanitary Shellfish Regulations. The federal and state laws require patrolling even if the waters are not open, wardens take water & meat samples that are transported to Milford Lab DA/BA lab, and patrol to enforce the National Shellfish Sanitary Regulations under State and Federal Law. The Clamming permit sales reflect that the clam stock continues to be healthy and maintains a population that can be renewable for an annual harvest. We have purchased oyster stock over the last two fiscal years along with a private group funding another purchase. The DA/BA has been without a Pathologist for over a year that has caused problems and sources of scallop seed are nonexistent. **Justification** for our funding is that if the Commission did not exist the local police departments would be required by Federal and State law to patrol, or the State would have DEEP Wardens patrol with court ordered charges going to the towns for their time and equipment.

The State of Connecticut has worked to declare the shoreline from Stonington to Guilford a no-discharge area for boats. The funding of the Niantic River Pump-Out Boat is to help minimize the number of untreated discharges into the Niantic River & Bay in compliance with Federal and State regulations. Fiscal year 2021-2022 either Town funded the Pump Boat; WELSCO funded with \$4000 of their required \$7500 a year. WELSCO will only fund it for \$2500 in 2022-2023 because projected losses and risk exposures.

Our revenue funding is primary from permit sales, grants from the towns of Waterford and East Lyme have been minimum last two fiscal years, and small reimbursements from the Waterford Shellfish Commission & East Lyme Harbor Management/Shellfish Commission for our Wardens activities. The amounts and sources of funding are reflected on financial spreadsheet. **The CT. State Dept. of Agriculture, Bureau of Aquaculture and Laboratory (DA/BA) installed a rain gauge and Davis Weather Link application that provides email and phone alerts to the Commissions, Ledge Light Sanitarians, Wardens, and Officials of a triggered one & half inch in River or subsequent 3-inch rainfall closure or reopening per our State DA/BA MOU. The three Commissions are covered via the status line to the Waterford Town Phone system that is maintained by DA/BA!** The appointed WELSCO commissioners, four from each town, contribute significant time and personal resources to the operations.

Sincerely,

Peter Harris, Chairman

Cell-phone: 860-227-8401

Home E-mail: peterdharris1@yahoo.com

J. Patrick Kelly, Co-Chairman/Treasurer

Cell-phone: 860-389-7060

Home E-mail: kelly8171@sbcglobal.net



TOWN OF WATERFORD
15 Rope Ferry Road
Waterford, CT 06385
860-442-0553

SOCIAL SERVICES GRANT FUNDING REQUEST

ORGANIZATION NAME: Waterford - East Lyme Shellfish Commission
REQUEST DATE (FISCAL YEAR): 2023
REQUESTED AMOUNT: \$3500

BENEFIT STATEMENT (Describe how these funds will be used)

\$3500 from Waterford and East Lyme Towns will be used to fund pump boat \$2500,
CPA Review Engagement \$3000 (fiscal yr quote), help offset a projected
100% increase of Insurance cost, and Waterford charging for printing of permits &
regulation handouts.

The Waterford Shellfish Commission and East Lyme Harbor Management/Shellfish
Commission benefit since our Wardens do water/meats samples and patrol for WSC.

Per Town of Waterford Budget Guidelines: please attach a certified audit report of all funds appropriated during the last completed fiscal year to your funding request.

DECLARATION

I, the requester, understand that I am requesting public funds from the Town of Waterford.
I declare that this request does not pose any potential conflict with the Town of Waterford
and I will provide any documentation requested by the Town of Waterford to authorize
funding this request or review the appropriateness of the request.

J. Patrick Kelly
Signature J. Patrick Kelly, Treasurer

Date December 10, 2021

WATERFORD EAST LYME SHELLFISH COMMISSION
2022-2023 BUDGET REQUEST

Income & Expense								
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenues	Proposed	\$ 44,501	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Sale of Permits	20000	\$ 7,674	\$ 18,737	\$ 19,571	\$ 16,951	\$ 17,379	\$ 24,176	\$ 23,729
Town of East Lyme (Grant Subsidy)	3500	\$ 3,500	\$ 1,250	\$ 3,500	\$ 3,500	\$ 2,500	\$ 2,500	\$ 2,500
Town of Waterford (Grant Subsidy)	3500	?	\$ 1,250	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
East Lyme Permit Sales payout								
Waterford Shellfish Reimbursement	1000	\$ -	\$ 981	\$ 519	\$ 1,231	\$ 1,162	\$ 2,013	\$ 1,538
East Lyme Shellfish Reimbursement	250	\$ 213	\$ 119	\$ 388	\$ 619	\$ 356	\$ 625	\$ 381
Other Income	120	\$ 47	\$ 118	\$ 1,126	\$ 127	\$ 145	\$ 105	\$ 78
TOTAL INCOME	28370	\$ 11,434	\$ 22,455	\$ 30,104	\$ 27,428	\$ 26,542	\$ 34,419	\$ 33,226

Expenses		\$ amount	\$ amount	\$ amount	\$ amount	\$ amount	\$ amount	\$ amount
Compensation payroll cost & taxes (two Wardens)	8000	\$ 2,931	\$ 7,674	\$ 5,641	\$ 6,696	\$ 8,290	\$ 10,385	\$ 9,184
Insurances	5000	\$ -	\$ 4,202	\$ 2,408	\$ 2,221	\$ 2,185	\$ 2,338	\$ 3,357
Printing Permits & advertising	2000	\$ -	\$ 1,901	\$ 1,069	\$ 407	\$ 1,887	\$ 394	\$ 300
Shellish Propagation	4000	\$ 4,000	\$ 3,425	\$ 2,975	\$ -	\$ -	\$ 720	\$ -
Telephone		\$ -	\$ -	\$ -	\$ -	\$ 352	\$ 419	\$ 305
Utilities	700	\$ 220	\$ 662	\$ 602	\$ 657	\$ 635	\$ 558	\$ 452
Travel & Mileage	600	\$ 62	\$ 334	\$ 511	\$ 542	\$ 823	\$ 577	\$ 677
Gas & Oil	500	\$ 241	\$ 462	\$ 310	\$ 645	\$ 615	\$ 740	\$ 581
Uniforms	50	\$ -	\$ -	\$ -	\$ -	\$ 65	\$ -	\$ -
Equipment & Maintenance	500	\$ 711	\$ 1,130	\$ 1,865	\$ 645	\$ 2,334	\$ 2,040	\$ 343
Equipment Depreciation	2100	\$ 2,011	\$ 1,609	\$ 1,006	\$ 27	\$ 2,526	\$ 1,800	
Supplies & Postage	150	\$ -	\$ 165	\$ 279	\$ 99	\$ 83	\$ 71	\$ 75
Accounting Firm (Premier CPAs)	3500	\$ 1,250	\$ 3,325	\$ 2,450				
CPA	3000	\$ 2,750	\$ 2,750	\$ -	\$ 2,450	\$ 2,400	\$ 2,250	\$ 2,250
Niantic Pump Out Boat	2500	\$ -	\$ 4,000	\$ 3,600	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,000
Misc.			\$ 210	\$ 11	\$ 125	\$ 150	\$ 275	\$ 623
TOTAL EXPENSE	32600	\$ 14,176	\$ 31,849	\$ 22,727	\$ 18,014	\$ 25,845	\$ 26,066	\$ 21,147
NET INCOME	-4230	\$ (2,742)	\$ (9,394)	\$ 7,377.00	\$ 9,414	\$ 697	\$ 8,353	\$ 12,079

Waterford - East Lyme Shellfish Commission
Profit & Loss
July through November 2021

	Nov 21	Jul - Nov 21	Jul - Nov 20	\$ Change
Ordinary Income/Expense				
Income				
Interest income	\$ 10.04	\$ 47.85	\$ 52.46	\$ (4.61)
Sales Permits				
Clamming permits	\$ -	\$ 7,673.50	\$ 10,929.50	\$ (3,256.00)
Scallop permits	\$ -	\$ -	\$ -	\$ -
Total Sales Permits	\$ -	\$ 7,673.50	\$ 10,929.50	\$ (3,256.00)
Town of East Lyme - Grant	\$ 3,500.00	\$ 3,500.00	\$ -	\$ 3,500.00
Warden Hours - East Lyme	\$ -	\$ 212.50	\$ 118.75	\$ 93.75
Total Income	\$ 3,510.04	\$ 11,433.85	\$ 11,100.71	\$ 333.14
Expense				
Advertising	\$ -	\$ -	\$ 1,033.88	\$ (1,033.88)
Depreciation expense	\$ 2,011.00	\$ 2,011.00	\$ -	\$ 2,011.00
General & Administrative				
Office supplies	\$ -	\$ -	\$ 110.20	\$ (110.20)
Postage & delivery	\$ -	\$ -	\$ 55.00	\$ (55.00)
Printing	\$ -	\$ -	\$ 285.91	\$ (285.91)
Total General & Administrative	\$ -	\$ -	\$ 451.11	\$ (451.11)
Interest Expense	\$ -	\$ -	\$ 10.00	\$ (10.00)
Operating Expense				
Boat Fuel & oil	\$ 59.64	\$ 241.08	\$ 298.98	\$ (57.90)
Professional Fees-Bookkeeping	\$ 250.00	\$ 1,250.00	\$ 1,500.00	\$ (250.00)
Professional Fees-CPA Audit	\$ -	\$ 2,750.00	\$ -	\$ 2,750.00
Program funding	\$ -	\$ -	\$ 4,000.00	\$ (4,000.00)
Repair & Maintenance-Boats	\$ -	\$ 710.87	\$ 502.59	\$ 208.28
Travel & mileage	\$ -	\$ 61.60	\$ 154.71	\$ (93.11)
Total Operating Expense	\$ 309.64	\$ 5,013.55	\$ 6,456.28	\$ (1,442.73)
Payroll Expenses				
Payroll Processing	\$ 82.00	\$ 416.00	\$ 168.83	\$ 247.17
Payroll Tax Expense	\$ 17.33	\$ 331.73	\$ 365.08	\$ (33.35)
Salaries-Wardens	\$ 181.50	\$ 2,183.50	\$ 3,596.89	\$ (1,413.39)
Total Payroll Expenses	\$ 280.83	\$ 2,931.23	\$ 4,130.80	\$ (1,199.57)
Shellfish propagation	\$ -	\$ 4,000.00	\$ 3,425.00	\$ 575.00
Utilities	\$ 44.00	\$ 220.00	\$ 262.66	\$ (42.66)
Total Expense	\$ 2,645.47	\$ 14,175.78	\$ 15,769.73	\$ (1,593.95)
Net Ordinary Income	\$ 864.57	\$ (2,741.93)	\$ (4,669.02)	\$ 1,927.09
Net Income	\$ 864.57	\$ (2,741.93)	\$ (4,669.02)	\$ 1,927.09

Waterford - East Lyme Shellfish Commission
Balance Sheet
As of November 30, 2021

Nov 30, 21

ASSETS

Current Assets

Checking/Savings

5533 Checking	\$	10,770.69
5559 Money Market	\$	22,139.53
CD 12 mos #0132	\$	15,006.13
CD 12 mos #7922	\$	14,905.35
CD 6 mos #0996	\$	12,664.86
CD 6 mos. #0124	\$	9,959.36
CD 6 mos. #2453	\$	2,898.42

Total Checking/Savings \$ 88,344.34

Accounts Receivable

Accounts Receivable \$ 168.75

Total Accounts Receivable \$ 168.75

Total Current Assets \$ 88,513.09

Fixed Assets

Accum. Depreciation	\$	(25,803.89)
Boat equipment	\$	25,103.97
Office equipment	\$	4,793.59

Total Fixed Assets \$ 4,093.67

TOTAL ASSETS \$ 92,606.76

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Payroll Tax Payable \$ 11.94

Total Other Current Liabilities \$ 11.94

Total Current Liabilities \$ 11.94

Total Liabilities \$ 11.94

Equity

Retained Earnings \$ 95,336.75

Net Income \$ (2,741.93)

Total Equity \$ 92,594.82

TOTAL LIABILITIES & EQUITY \$ 92,606.76

WELSCO Insurance cost increase ~100%?

- Increase hull coverage to \$24,965 from \$10,000
- Increase General Liability to \$1M from \$500,000
- Secure new coverage "Crew Coverage" marine based Workers Compensation mandated by Federal Jones Act and Longshore & Harbor Workers Compensation Act. ~\$1600 annual premium.
- Per the Director of State Workers Compensation, we must have land-based WC for Wardens and Commissioners. There is an exclusion State Form 6B that insurance Company wants all Commissioners to complete. Peter Harris & Fred Wise (Insurance background) of Commission have been working with Waterford Town Attorney & Insurance carrier to document Commissioners are covered under Town Coverage and can Wardens be added to Town policy. If not, coverage cost for two part-time Wardens is ~\$1,504 per year that is not included in premium increase. Town coverage would be estimated \$150!



The Company issuing this policy is indicated below:
Atlantic Specialty Insurance Company

Policy Number
B5JH51810

Insured Waterford/East Lyme Shellfish Commission
& As Per Endorsement No. 2
c/o Patrick Kelly
Street 8 Konomoc Avenue
City Waterford
State CT Zip 06385-1408

RENEWAL OF
B5JH51810

Policy Period

At place of Issuance from February 24, 2021 TO: February 24, 2022 Noon, E.S.T.

Representative:
Producer #: 18-16621

Producer Smithwick & Mariners
Street 366 U.S. Route 1
City Falmouth
State ME
Zip 04105

<u>Coverage</u>	<u>Amount Insured/ Limit of Liability</u>	<u>Rate</u>	<u>Premium</u>
HULL	As Attached	As Attached	\$824.
P&I	As Attached	As Attached	\$2,550.
TERRORISM	Covered Per Endorsement No. 3	As Attached	\$0.
<u>Total Premium</u>			\$3,374.

PREMIUM PAYABLE IN INSTALLMENTS. PLEASE AWAIT OUR BILL.

or account of themselves

Loss, if any payable to: Assured or Order

SUBJECT TO CONDITIONS OF FORM ATTACHED HERETO

Taylor Hull Form 1953 (Rev. 70)
American Institute Sue and Labor Clause (4/1/76)
American Institute Total Loss Endorsement (11/1/75)
American Institute S.R. & C.C. Endorsement (Hulls) (9/8/59)
AIMU Protection & Indemnity (P and I) Clauses (6/2/83)
Pollution Exclusion Clause and Buy Back Endorsement No. 1
Named Insured Endorsement No. 2
Cap of Losses from Certified Acts of Terrorism – 2015 Endorsement No. 3
American Institute Cyber Exclusion Clause (11/06/2015) Endorsement No. 4
American Institute Communicable Disease Exclusion Clause (06/15/2020)
Chemical, Biological, Bio-Chemical, and Electromagnetic Weapon Exclusion
AIMU Extended Radioactive Contamination Exclusion Clause with U.S.A. End. (3/1/03)
Special Terms and Conditions

THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE FOREGOING PROVISIONS AND STIPULATIONS AND THOSE
HEREINAFTER STATED, WHICH ARE HEREBY MADE A PART OF THIS POLICY TOGETHER WITH OTHER SUCH
PROVISIONS, STIPULATIONS AND AGREEMENTS AS MAY BE ADDED HERETO, AS PROVIDED IN THIS POLICY.

IN WITNESS WHEREOF, we have caused this policy to be executed and attested.

Kara L.B. Barrow, Secretary

T. Michael Miller, President & CEO

Issued

This date February 17, 2021 JS/ayr



Waterford East Lyme

From:Laurie Woodley (lwoodley@smithwick-ins.com)

To:kelly8171@sbcglobal.net

Date:Tuesday, January 26, 2021, 08:54 AM EST

Dear Mr. Kelly:

Further to your discussions yesterday with Scott & I, we understand that there are two Wardens that are hired by the Waterford East Lyme Shellfish Commission that will operate the 19' Carolina Skiff "Warden".

As these "Wardens" are paid for their services in operating the vessel for the WELSC, they may be considered hired crew and subject to the Jones Act should

they become injured or ill while in the service of the vessel. Accordingly, we have requested quotes for Jones Act "Crew Coverage"

under the P&I policy in place on the scheduled vessel. We have also requested underwriters quote coverage for increasing the Hull to reflect

the value of the new Outboard and to take into consideration the other passengers that could be on the vessel. Underwriter have quoted as follows:

1. To increase the Hull Value to \$24,965 would result in an additional annual premium of \$416.
2. To allow crew coverage for the Two (2) hired Wardens, the additional annual premium would be \$1,300
3. To allow coverage for up to 4 passengers (non-crew, and in addition to the 2 Wardens) the additional annual premium would be \$200.* **we are negotiating this charge with the underwriters***

The Jones Act P&I coverage applies to the hired crew while in the service of the vessel and while the vessel is in navigation. It may be possible that you also have

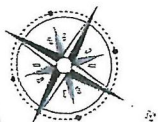
exposure to State Workers Compensation and/or the US Longshore & Harbor Workers Act. This coverage, as well as General Liability Insurance, Professional Liability Insurance etc.

is more readily available from local CT agents. Perhaps your Business Auto Agent would be able to provide you with prompt quotes for Workers Comp, USL&H, GL, Professional Liability,

etc. Or perhaps, given your relationship to the towns, you could have access to coverage available under a town or State insurance program.

One item we did not discuss was exposure to diving operations. Please note that your P&I policy has an exclusion for diving from the vessel.

Should you have any questions or concerns please contact us at 800-370-1883.



MARITIME LAW CENTER

Mike Vaughn, Attorney at Law
17011 Beach Blvd., Suite 900
Huntington Beach, CA 92647
Direct Phone: 562-592-9350
Email: mike@vaughnlawoffice.com
CA State Bar No. 79661

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THE JONES ACT

The Jones Act when used in the sense of maritime law refers to federal statute 46 USC section 883. This is the act that controls coastwise trade within the United States and determines which ships may lawfully engage in that trade and the rules under which they must operate.

Generally, the Jones Act prohibits any foreign built or foreign flagged vessel from engaging in coastwise trade within the United States. A number of other statutes affect coastwise trade and should be consulted along with the Jones Act. These include the Passenger Services Act, 46 USC section 289 which restricts coastwise transportation of passengers and 46 USC section 12108 restricts the use of foreign vessels to commercially catch or transport fish in U.S. waters.

[U.S. MARITIME LAW](#)

Office of Workers' Compensation Programs

Longshore and Harbor Workers' Compensation Act Frequently Asked Questions

Division of Longshore and Harbor Workers' Compensation (DLHWC)

LONGSHORE FAQ TOPICS

- [Overview](#)
- [Reporting a New Injury](#)
- [Occupational Diseases](#)
- [Claims](#)
- [Compensation](#)
- [Medical](#)
- [Voc Rehab](#)
- [Attorneys](#)

DISCLAIMER: The Frequently Asked Questions (FAQs) were created solely to assist employees and employers in gaining a general understanding of portions of the Longshore and Harbor Workers' Compensation Act (LHWCA) and its extension acts. These FAQs may not constitute the complete or official opinion of the Department of Labor, the Office of Workers' Compensation Programs, or the Division of Longshore and Harbor Workers' Compensation on any subject. This page does not necessarily contain an exhaustive or current treatment of the LHWCA and its extension acts and should not, under any circumstances, substitute for a party's own research into the statutory, regulatory, and case law authorities on any given subject addressed by the following FAQs. The FAQs are an informational tool, not a final authority, and should not be cited or otherwise considered an authoritative statement of agency policy. Additional sources of information, including the statutes and implementing regulations, can be accessed on the [Laws, Regulations & Related Materials](#) section of our website.

OVERVIEW

1. What is the Longshore and Harbor Workers' Compensation Act?

The Longshore and Harbor Workers' Compensation Act (LHWCA) is a federal law that provides for the payment of compensation, medical care, and vocational rehabilitation services to employees disabled from on the job injuries that occur on the navigable waters of the United States, or in adjoining areas customarily used in the loading, unloading, repairing, or building of a vessel. The LHWCA also provides for payment of survivor benefits to dependents if the work injury causes, or contributes to, the employee's death. These benefits are typically paid by the self-insured employer or by a private insurance company on the employer's behalf. The term "injury" includes occupational diseases, hearing loss and illnesses arising out of employment.

2. Who is covered by the LHWCA?

**WORKERS COMP
PROPOSAL**

Page: 1 of: 3



PREMIUM CALCULATION WORKSHEET

APPLICANT NAME: WATERFORD-EAST LYME SHELLFISH COMMISSION
 PROPOSED EFFECTIVE DATE: 02/24/2021
 PROPOSED EXPIRATION DATE: 02/24/2022
 BINDER NUMBER:
 APPLICATION ID NUMBER: 50616234
 GOVERNING STATE: CT
 APPLICATION GOVERNING CLASS CODE: 7720
 RATE EFFECTIVE DATE: (CT) 01/01/2021
 EXPERIENCE RATING DATE: N/A
 PROPOSED PREMIUM PERIOD: 02/24/2021 - 02/24/2022

SUMMARY INFORMATION

STATE NAME	FEDERAL ESTIMATED ANNUAL PREMIUM	STATE ESTIMATED ANNUAL PREMIUM
CT	857	647

SUBTOTAL FOR TERRORISM PREMIUM - ALL STATE(S):¹ (CT) \$3.00 = \$3.00	INCL
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ESTIMATED ANNUAL PREMIUM	1,504
DEPOSIT PERCENTAGE	100%
DEPOSIT PREMIUM	1,504
TOTAL ESTIMATED ANNUAL PREMIUM²	1,504
TOTAL PREMIUM PAID	0

[1] See individual state worksheet(s) that accompany the summary page for explanation.

[2] Please Note: the values used during the calculations are not rounded; the values shown have been rounded to the nearest whole dollar as this is an estimate. The Estimated Annual Premium displayed has been rounded up to the next whole dollar.

NOTICE: NCCI has calculated the Total Estimated Annual Premium, as identified on the Premium Calculation Worksheet, based on information provided to NCCI by the Applicant, producer, or other authorized representative on behalf of the Applicant. The Total Estimated Annual Premium on the Premium Calculation Worksheet as derived from NCCI'S **RMAPS® Online Application Service** shall **NOT** be binding upon NCCI and/or any carrier that is or may be assigned under the WCIP. The assigned carrier may apply additional state surcharges, taxes, assessments, or programs based on its underwriting review or as required by the state. **ANY USE OF ANY RESULT DERIVED FROM NCCI'S RMAPS® ONLINE APPLICATION SERVICE TO THE CONTRARY, OR IN VIOLATION OF, OR INCONSISTENT WITH, ANY OF THE ABOVE IS STRICTLY PROHIBITED, AND NCCI EXPRESSLY DISCLAIMS ANY LIABILITY THEREFROM OF ANY NATURE OR KIND AND TO ANY PERSON OR ENTITY, INCLUDING WITHOUT LIMITATION, ANY CLAIMS OF THIRD PARTIES, WHETHER BASED IN TORT, CONTRACT, OR OTHERWISE.**



State of Connecticut
Workers' Compensation Commission

Please TYPE or PRINT IN INK

Rev. 8-17-2019

6B

Date filed with WCC

Coverage Election by Employee who is an
Officer of a Corporation or a Member of an LLC

DO NOT SEND THIS FORM TO A DISTRICT OFFICE!

Send to: WORKERS' COMPENSATION COMMISSION
21 OAK STREET, 4th FLOOR
HARTFORD, CT 06106

Pursuant to C.G.S. Section 31-321, this notice must be served
upon the Workers' Compensation Commission in person OR
by registered or certified mail.

IF YOU WISH TO RECEIVE A
DATE-STAMPED COPY OF
THIS FORM, SEND:

- 2 COPIES of each form
- a self-addressed STAMPED envelope

(for WCC use only)

▶ ▶ ▶ ▶ ▶ ▶ ▶ ▶ ▶ ▶ ▶ ▶ Incomplete and/or illegible forms will be returned unstamped. ◀ ◀ ◀ ◀ ◀ ◀ ◀ ◀ ◀ ◀

COVERAGE ELECTION - To the Workers' Compensation Commission, 21 Oak Street, 4th Floor, Hartford, Connecticut 06106

and to Waterford-East Lyme Shellfish Commission of 15 Rope Ferry Rd
(name of employer) (street address)

located in Waterford, Connecticut, 06385
(city or town) (state) (zip code)

I, James Patrick Kelly Commissioner, an Employee of
(name of employee)

Waterford-East Lyme Shellfish Commission (WELSCO) of 15 Rope Ferry Rd
(exact name of corporation or LLC) (street address)

located in Waterford, Connecticut, 06385
(city or town) (state) (zip code)

and also the WELSCO Shellfish Commissioner of said Corporation or LLC,
(office held)

hereby elect to:

☒ BE EXCLUDED FROM COVERAGE under the Workers' Compensation Act pursuant to Section 31-275 of the Connecticut General Statutes

☐ REVOKE ANY PREVIOUS ELECTION OF EXCLUSION from the provisions of Section 31-275 of the Connecticut General Statutes

AFFIRMATION - Section 31-284 of the Connecticut General Statutes requires that workers' compensation insurance
be obtained for all covered employees.

Dated on this 3rd day of March, 20 21.
(number) (month) (year)

Employee Signature _____ Date of Birth (required) June 15, 1945

Employee Street Address 8 Konomoc Ave.

City or Town Waterford State CT Zip Code 06385

Please be advised that the Workers' Compensation Commission accepts the coverage election form 6B for filing purposes ONLY.
The filer of this form is solely responsible for the accuracy of the information contained herein.

Waterford-East Lyme Shellfish Commission
Annual Report –2021

The Waterford-East Lyme Shellfish Commission (WELSCO) oversees shell fishing in the Niantic River. As with all other boards and commissions, 2021 continued to be challenging year due to the Covid 19 pandemic. The pandemic has caused issues with how WELSCO holds its meetings, sells permits, and financial challenges due to the financial impacts the pandemic has caused both towns. Despite these challenges, WELSCO was very successful managing these pandemic related issues holding all of its meetings and accomplishing all of its primary responsibilities while also advancing other projects.

The reclassification of the recreational shellfishing areas in 2020 turned out to be a positive as areas that were previously under-shellfish were used more. There are now 3 areas in the Niantic River available for recreational shell fishing; Area A which is open year-round and is located in the central part of the river, and Area B north and Area B south which are open conditionally during the colder months and is located in the southern third of the river and a section located south of Sandy and Horse Point. The open and closed status of each of these areas is overseen by DA/BA and the Ledge Light Health District.

Recreational permits are sold by both the East Lyme and Waterford Town Halls as well as J & B Bait and Tackle and Mackey's Bait and Tackle. Permits are sold under a variety of conditions based on duration, residency, and senior citizen status. WELSCO recently voted to increase the permit fees in a few categories as well as set limits to oyster harvests. These fees had not increased in many years. As of Oct 29, 2021, there were a total of 429 permits sold generating \$12745 of revenue for WELSCO. This is similar to the previous year. The revenue from permit sales helps to offset operating costs of WELSCO. WELSCO is not authorized to issue commercial shell fishing permits based on state statute. WELSCO uses a private accounting firm to manage our financials which adds significant expense. The complexities of managing WELSCO's finances separate from town's accounting requires an independent accountant. This year, WELSCO had a financial review for both 2019 and 2020 performed by the private CPA firm Seward and Monde. A financial review was permitted by the town as a financial audit would require more in-person interactions which were limited due to the pandemic.

Although clam stock in the Niantic River appears to be sustainable, WELSCO's attempt to purchase clam seed or adult clams to ensure our stock is maintained have been unsuccessful. While clam seed stock is scarce, WELSCO spent \$4000 to purchase 20,000 oysters, which will add a second species of interest to the shell fishing public, and to attempt to increase the population of this environmentally beneficial shellfish species to the Niantic River. As done last year, the oysters were sourced from the Niantic Bay Shellfish Farm. As in 2020, WELSCO has made a decision this year to not purchase scallop stock as our previous efforts have not been successful and the factors related to stocking success of this shellfish species are poorly understood and expensive. WELSCO also decided not to hold a scallop season this year as the native population appears to be quite low.

WELSCO owns the Shellfish Warden boat which is used to collect water and meat samples, as required by the DA/BA, to allow for recreational shell fishing activities. WELSCO wardens collect samples not only for WELSCO but also for the Waterford Shellfish and East Lyme Harbor Management/Shellfish commissions. The Warden boat is one of the few municipal boats in the water year-round and has been used in the past by other departments in emergencies. Although WELSCO bills for warden's hours from the other shellfish commissions, WELSCO pays for all other expenses for the warden boat including fuel, insurance, maintenance and repairs. The State regulations dictate that after 1.5 inches of rainfall, the recreational shell fishing areas in the Niantic River will be closed until water samples are tested to confirm bacterial levels are at acceptable levels.

A point of concern for WELSCO in 2021 has been the condition of the Waterford town dock. Although the main dock is sound, the finger pier where the warden boat is docked is in disrepair and a potential safety hazard. Discussions regarding repairs are ongoing with town officials.

Future Goals

WELSCO will continue to carefully manage our clam stock through a combination of restocking efforts, management of native stock, and helping to mitigate man-made influences that negatively impact shellfish sustainability. Improving water quality is an important component of this and WELSCO also believes enhancing oyster populations in the Niantic River will improve water quality. WELSCO has always operated with a high degree of fiscal responsibility, and this will be even more important going forward as the grants received by each town is not likely to increase due to the financial pressures that both towns face. WELSCO would also like to enter into a long-term agreement with both towns to ensure funding of the pump-out boat is shared by each town and WELSCO equally.

Respectfully Submitted by:

Peter Harris,

Chairman of the Waterford-East Lyme Shellfish Commission.

Waterford-East Lyme Shellfish Commission
Financial Statements
June 30, 2021 and 2020

SEWARD AND MONDE

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Shellfish Commissioners
Waterford-East Lyme Shellfish Commission
Waterford, Connecticut

We have reviewed the accompanying financial statements of Waterford-East Lyme Shellfish Commission (a nonprofit organization) which comprise the statements of financial position-modified cash basis as of June 30, 2021 and 2020, and the related statements of activities-modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis as described in Note 1; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified-cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting as described in Note 1.

Seward and Monde

North Haven, Connecticut
September 21, 2021

WATERFORD-EAST LYME SHELLFISH COMMISSION
 STATEMENTS of FINANCIAL POSITION
 (Modified Cash Basis)
 June 30, 2021 and 2020
 (See Independent Accountants' Review Report)

A S S E T S	<u>2021</u>	<u>2020</u>
Currents Assets:		
Cash and cash equivalents	\$ 7,320	\$ 9,256
Money market account	39,128	34,468
Short-term investments	<u>45,398</u>	<u>53,939</u>
Total current assets	<u>91,846</u>	<u>97,663</u>
Property and Equipment:		
Equipment, at cost	29,898	29,898
Less, accumulated depreciation	<u>23,793</u>	<u>20,639</u>
Total property and equipment, net	<u>6,105</u>	<u>9,259</u>
Totals	<u><u>\$ 97,951</u></u>	<u><u>\$ 106,922</u></u>
LIABILITIES and NET ASSETS		
Current Liabilities:		
Accrued payroll taxes	<u>\$ 33</u>	<u>\$ 398</u>
Net Assets:		
Without donor restrictions:		
Available for operations	91,813	97,265
Property and equipment	<u>6,105</u>	<u>9,259</u>
Total net assets without donor restrictions	<u>97,918</u>	<u>106,524</u>
Total liabilities and net assets	<u><u>\$ 97,951</u></u>	<u><u>\$ 106,922</u></u>

See notes to financial statements.

WATERFORD-EAST LYME SHELLFISH COMMISSION
STATEMENT of ACTIVITIES
(Modified Cash Basis)
Years ended June 30, 2021 and 2020
(See Independent Accountants' Review Report)

Changes in Net Assets Without Donor Restrictions:

	2021	2020
Support and revenue:		
Town of Waterford	\$ 1,250	\$ 5,000
Town of East Lyme	1,250	3,500
Waterford Shellfish Commission	1,068	432
East Lyme Shellfish Commission	119	218
Permit sales	18,737	19,571
Interest income	118	126
Gain on disposal of fixed asset	-	1,000
Total support and revenue	<u>22,542</u>	<u>29,847</u>
Operating expenses:		
Boat & fuel oil	462	321
Travel & mileage	334	385
Boat supplies	909	239
Program funding	4,000	3,600
Repair & maintenance	524	1,865
Wages	6,406	4,954
Payroll taxes	715	525
Payroll processing	755	-
Depreciation	3,154	3,154
Shellfish propogation	3,425	2,975
Total operating expenses	<u>20,684</u>	<u>18,018</u>
General and administrative expenses:		
Legal and accounting	3,325	2,450
Advertising	1,234	943
Insurance	4,202	2,408
Utilities	662	602
Office supplies	110	-
Postage & delivery	55	-
Printing	667	33
Interest expense	10	-
Miscellaneous	199	-
Total general and administrative expenses	<u>10,464</u>	<u>6,436</u>
Total expenses	<u>31,148</u>	<u>24,454</u>
Change in net assets without donor restrictions	(8,606)	5,393
Net assets, beginning	<u>106,524</u>	<u>101,131</u>
Net assets, ending	<u>\$ 97,918</u>	<u>\$ 106,524</u>

See notes to financial statements.

WATERFORD-EAST LYME SHELLFISH COMMISSION
NOTES to FINANCIAL STATEMENTS
June 30, 2021 and 2020

1 - Summary of Significant Accounting Policies

Nature of Activities

The Waterford-East Lyme Shellfish Commission (the "Commission") is an autonomous joint agency of the Towns of Waterford and East Lyme established under State Statute. This agency was formed to provide management services for shellfishing activities. The Commission is funded through Town allocation and the sale of shellfish permits.

Basis of Accounting

The accompanying financial statements are prepared on the modified cash basis of accounting. That basis differs from U.S. generally accepted accounting principles primarily because the Commission recognizes revenues when received rather than when earned; expenses and purchase of assets are recognized when cash is disbursed rather than when the obligation is incurred. Modifications to the cash basis of accounting include recording investments at fair value, recording depreciation and accrued payroll taxes.

Financial Statement Presentation

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are available for use in general operations and not subject to donor restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees.

Net assets with donor restrictions - Net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Commission did not have any net assets with donor restrictions as of June 30, 2021 and 2020.

Contributions

Contributions received are recorded as support without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions are considered conditional when the underlying agreement includes a performance barrier and a right of return to the promised assets exists. Conditional contributions are not recognized in the financial statements until the performance barrier and a right of return have been overcome.

Grants and Contracts

Grants and contracts are generally considered to be exchange transactions rather than contributions. Revenue from cost reimbursement grants and contracts is recognized to the extent of the costs incurred. Revenue from performance based grants and contracts is recognized to the extent of the performance achieved. Grant and contract receipts in excess of revenue recognized are presented as deferred revenue if the grant extends beyond the Commission's fiscal year and as due to the grantor if the grant was completed within the fiscal year.

Advertising costs

Advertising costs are expensed when incurred.

Cash and Cash Equivalents

Cash and cash equivalents include all liquid investments available for current use with an initial maturity of three months or less. There were no cash equivalents as of June 30, 2021 and 2020.

Short Term Investments

The Commission holds investments in certificates of deposit accounts that have a maturity period greater than 90 days, but will mature in less than one year. These are classified as short-term investments in the statement of financial position-modified cash basis. These investments are reported at their current fair values and any appreciation is recorded in the statement of activities-modified cash basis as interest income.

Property and Equipment

It is the Commission's policy to capitalize, at cost, all expenditures which materially increase values or extend useful life exceeding \$500, with a useful life greater than three years. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations would be reported as without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Expenditures in the nature of normal repairs and maintenance are charged to expense as incurred.

Estimated useful life of assets are as follows:

Boat	5 years
Equipment	5-7 years

Income Tax Status

The Commission is a town agency, which is exempt from federal and state income taxes.

Estimates

The preparation of financial statements on a modified cash basis requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

Change in Accounting Principle

On July 1, 2019, the Commission adopted Financial Accounting Standards Board (FASB) ASU 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08). The ASU was adopted as of July 1, 2019, because it establishes standards for characterizing grants and similar contracts with resource providers as either exchange transactions or conditional and unconditional contributions. The Commission retrospectively applied the provisions of this ASU as there were no significant changes in the way the Commission recognizes revenue and contributions received and made. Therefore, there were no changes to the previously issued financial statements.

Subsequent Events

The Commission has evaluated subsequent events for the period after June 30, 2021 through September 21, 2021, the date the financial statements were available to be issued.

2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Commission's financial assets as of June 30, 2021 and 2020 available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 7,320	\$ 9,256
Money market	39,128	34,468
Short-term investments	<u>45,398</u>	<u>53,939</u>
Financial assets available to meet the cash needs for general expenditures within one year	<u>\$ 91,846</u>	<u>\$ 97,663</u>

3 - PROPERTY AND EQUIPMENT

Details of property and equipment at June 30 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Boat	\$ 25,104	\$ 25,104
Equipment	<u>4,794</u>	<u>4,794</u>
	29,898	29,898
Less, Accumulated depreciation	<u>23,793</u>	<u>20,639</u>
Net	<u>\$ 6,105</u>	<u>\$ 9,259</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$3,154.

4 - CONCENTRATION OF CREDIT RISK

The Commission maintains cash in bank accounts which, at times, may exceed insured limits. The Commission has not experienced any losses in such accounts. The Commission believes it is not exposed to any significant credit risk on cash.

A significant portion of the Commission's support and revenue comes from the Towns of Waterford and East Lyme as well as permit fees sold at local shops. Government funding and sale of permits may be subject to reduction or termination in future years. Any reduction in town funding and sales of permit fees could have a negative impact on the Commission's program services.

5 - RISK AND UNCERTAINTIES

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts to the Commission may include decreased revenues and increased operating costs. The future effects of these issues are unknown.