

TOWN OF WETHERSFIELD, CONNECTICUT

STATE SINGLE AUDIT REPORT

**REVISED
JUNE 30, 2009**

TOWN OF WETHERSFIELD, CONNECTICUT

STATE SINGLE AUDIT REPORT

JUNE 30, 2009

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Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program, on Internal Control over Compliance in Accordance with the State Single Audit Act and on the Schedule of Expenditures of State Financial Assistance

To the Members of Town Council
Town of Wethersfield, Connecticut

Compliance

We have audited the compliance of the Town of Wethersfield, Connecticut, with the types of compliance requirements described in the *Office of Policy and Management Compliance Supplement* that are applicable to each of its major state programs for the year ended June 30, 2009. The Town of Wethersfield, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Town of Wethersfield, Connecticut's management. Our responsibility is to express an opinion on the Town of Wethersfield, Connecticut's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town of Wethersfield, Connecticut's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town of Wethersfield, Connecticut's compliance with those requirements.

In our opinion, the Town of Wethersfield, Connecticut, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2009.

Internal Control over Compliance

The management of the Town of Wethersfield, Connecticut, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations,

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contracts and grants applicable to state programs. In planning and performing our audit, we considered the Town of Wethersfield, Connecticut's internal control over compliance with the requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Wethersfield, Connecticut's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the Town's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the entity's internal control.

Schedule of Expenditures of State Financial Assistance

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wethersfield, Connecticut, as of and for the year ended June 30, 2009 and have issued our report thereon dated December 17, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Wethersfield, Connecticut's basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, the Mayor, the Town Council, the Board of Education, the Office of Policy and Management and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Blum, Shapiro & Company, P.C.

December 17, 2009

TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2009

<u>State Grantor/Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
Board of Education and Services for the Blind		
Education Aid Blind/Visually Impaired Children	11000-ESB65020-12060	\$ 3,496
Commission on Culture and Tourism		
National Endowment for the Art	12060-CAT45220-20328	2,580
Office of the State Comptroller		
Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OSC15910-17004	236,086
Mashantucket Pequot/Mohegan Fund	12009-OSC15910-17005	338,140
Boat Grant	12027-OSC15910-40211	<u>3,640</u>
Total State Comptroller		<u>583,942</u>
Department of Economic and Community Development		
Payment In Lieu of Taxes (PILOT)	11000-ECD46400-17012-039	16,790
Small Town Economic Assistance Program (STEAP)	12052-ECD46000-42411-149	<u>52,166</u>
Total Department of Economic and Community Development		<u>68,956</u>
Department of Education		
Child Nutrition Program - (School Lunch State Match)	11000-SDE64000-16072-82051	39,746
Adult Education	11000-SDE64000-17030	24,697
Health Services	11000-SDE64000-17034	22,904

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TOWN OF WETHERSFIELD, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE
FINANCIAL ASSISTANCE (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

<u>State Grantor/Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
Bilingual Education	11000-SDE64000-17042	\$ 2,694
Youth Services Bureau	11000-SDE64000-17052 or 16201	27,915
Open Choice	11000-SDE64000-17053	82,083
Magnet Schools	11000-SDE64000-17057	41,600
After School Program	11000-SDE64000-17084	<u>91,278</u>
Total Department of Education		<u>332,917</u>
Department of Environmental Protection		
Recreational Trails Program	12060-DEP44321-20296	40,000
Neighborhood Facilities Grant	12052-DEP43153-43037	700,000
The Connecticut Clean School Bus Program	12060-DEP43520-22319	<u>24,200</u>
Total Department of Environmental Protection		<u>764,200</u>
Connecticut State Library		
Grants to Public Libraries	11000-CSL66051-17003	2,768
ConnectiCard Payments	11000-CSL66051-17010	6,385
Construction Grants to Public Libraries	12052-CSL66051-40372	40,000
Historic Documents Preservation Grants	12060-CSL66094-35150	<u>45,000</u>
Total Connecticut State Library		<u>94,153</u>

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TOWN OF WETHERSFIELD, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE
FINANCIAL ASSISTANCE (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

<u>State Grantor/Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
Office of Policy and Management		
Contingency Needs	11000-OPM20100-12336	\$ 75,000
Reimbursement of Property Taxes - Disability Exemption	11000-OPM20600-17011	3,473
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	214,264
Property Tax Relief for Elderly Homeowners - Freeze Program	11000-OPM20600-17021	6,000
Property Tax Relief for Veterans	11000-OPM20600-17024	43,747
Property Tax Relief for Manufacturing Machinery and Equipment and Commercial Vehicles	11000-OPM20600-17031	42,603
School Heating Assistance	11000-OPM20600-17096	45,514
Municipal Video Competition Trust	12060-OPM20600-35362	<u>6,410</u>
Total Office of Policy and Management		<u>437,011</u>
Department of Public Safety		
Telecommunications Fund	12060-DPS32740-35190	2,918
State Assets Forfeiture Revolving Fund	12060-DPS32155-35142	<u>6,307</u>
Total Department of Public Safety		<u>9,225</u>

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TOWN OF WETHERSFIELD, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE
FINANCIAL ASSISTANCE (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

<u>State Grantor/Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
Department of Social Services		
Senior Center Supplemental Services Grant	11000-DSS60782-16123	\$ <u>10,680</u>
Department of Transportation		
Town Aid Roads Grants Transportation Fund	12001-DOT57000-17036	201,241
Transit District Grants and Loan Transportation Fund - Dial-A-Ride	12001-DOT57000-var	<u>92,000</u>
Total Department of Transportation		<u>293,241</u>
Department of Public Utility Control		
Public Education and Governmental Programming and Education Technology Investment Account	12060-PUC39170-35363	<u>17,023</u>
Total State Financial Assistance Before Exempt Programs		<u>2,611,348</u>
Exempt Programs		
Department of Education		
Public School Transportation	11000-SDE64000-17027	190,895
Educational Cost Sharing	11000-SDE64000-17041	7,940,253
Excess Costs Student Based and Equity	11000-SDE64000-17047	913,951
Nonpublic School Transportation	11000-SDE64000-17049	16,294

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TOWN OF WETHERSFIELD, CONNECTICUT

**SCHEDULE OF EXPENDITURES OF STATE
FINANCIAL ASSISTANCE (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

<u>State Grantor/Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
School Construction Grants	13009-SDE64000-40896	\$ 24,446
School Construction Grants	13010-SDE64000-40901	<u>146,877</u>
Total Exempt Programs		<u>9,232,716</u>
Total State Financial Assistance		\$ <u><u>11,844,064</u></u>

TOWN OF WETHERSFIELD, CONNECTICUT

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2009

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Wethersfield, Connecticut, through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. The financial assistance programs fund several programs including education, tax reimbursement, transportation, library and public safety.

Note 1 - **Summary of Significant Accounting Policies:**

The accounting policies of the Town of Wethersfield, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to government entities. The following is a summary of the more significant policies relating to the aforementioned grant programs.

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

Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are recorded when the related fund liability is incurred, if measurable.

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

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

To the Honorable Mayor and Members of the Town Council
Town of Wethersfield, Connecticut

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Wethersfield, Connecticut, as of and for the year ended June 30, 2009, which collectively comprise the Town of Wethersfield, Connecticut's basic financial statements, and have issued our report thereon dated December 17, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Town of Wethersfield, Connecticut's internal control over financial reporting as a basis for designing our auditing procedures 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 of Wethersfield, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Wethersfield, Connecticut's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the Town's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the Town of Wethersfield, Connecticut, in a separate letter dated December 17, 2009.

This report is intended for the information and use of management, the Mayor, the Town Council, the Board of Education, the Office of Policy and Management and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Blum, Shapiro & Company, P.C.

December 17, 2009

TOWN OF WETHERSFIELD, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to financial statements noted? _____ yes X no

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditors' report issued on compliance for major programs:

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

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

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Office of the State Comptroller: Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OSC15910-17004	\$ 236,086
Mashantucket Pequot/Mohegan Fund	12009-OSC15910-17005	338,140
Department of Environmental Protection: Neighborhood Facilities Grant	12052-DEP43153-43037	700,000
Office of Policy and Management: Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	214,264
Department of Transportation: Town Aid Roads Grants Transportation Fund	12001-DOT57000-17036	201,241

II. Financial Statement Findings

1. We issued reports, dated December 17, 2009, on internal control over financial reporting and on compliance based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
2. Our report on compliance indicated no reportable instances of noncompliance.
3. Our report on internal control over financial reporting indicated no significant deficiencies in internal control over financial reporting.

III. State Financial Assistance Findings and Questioned Costs

No findings or questioned costs are reported relating to state financial assistance programs.