

*Report on State Financial  
Assistance Programs*

*Town of Wethersfield*

*Year Ended June 30, 2005  
With Independent Auditors' Report*

**TOWN OF WETHERSFIELD**

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**JUNE 30, 2005**

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

In accordance with State of Connecticut requirements, we present the following report which describes the results of our testing of State financial assistance.

### **Compliance**

We have audited the compliance of the Town of Wethersfield (the “Town”) 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, 2005. The 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’s management. Our responsibility is to express an opinion on 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’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’s compliance with those requirements.

In our opinion, the Town 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, 2005.

### **Internal Control Over Compliance**

The management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the internal control over compliance with 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 and to test and report on internal control over compliance in accordance with the State Single Audit Act.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

**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 as of and for the year ended June 30, 2005 and have issued our report thereon dated December 2, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town'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 solely for the information and use of the Mayor, Town Council, Board of Education, management, the Office of Policy and Management and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

December 2, 2005

**TOWN OF WETHERSFIELD**

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2005**

STATE GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	STATE GRANT PROGRAM IDENTIFICATION NUMBER	EXPENDITURES
<b>Office of Policy and Management</b>		
Justice Assistance State Match Program.....	11000-OPM20350-12251	\$ 600
Local Capital Improvement Program.....	11000-OPM20600-40254	24,931
Reimbursement Property Tax Disabilities Exempt.....	11000-OPM20600-17011	1,898
Art Grant.....	11000-OPM20600-35313	10,000
Property Tax Relief for Elderly and Totally Disabled Homeowners .....	11000-OPM20600-17018	236,732
Property Tax Relief for Elderly Homeowners- Freeze Program .....	11000-OPM20600-17021	13,233
Property Tax Relief for Veterans.....	11000-OPM-0600-17024	34,855
Property Tax Relief for Manufacturing Machinery and Equipment.....	11000-OPM20600-17031	<u>19,344</u>
Total Office of Policy and Management.....		<u>341,593</u>
<b>Department of Education</b>		
Bilingual Education.....	11000-SDE64370-17042	1,935
Child Nutrition Program - School Lunch Match .....	11000-SDE64370-16072	12,962
Adult Education.....	11000-SDE64370-17030	20,358
Health Services.....	11000-SDE64370-17034	21,147
Youth Services Bureau.....	11000-SDE64370-17052	21,513
Open Choice .....	11000-SDE64370-17053	28,000
Early Reading Success .....	11000-SDE64370-17056	32,702
Magnet Schools.....	11000-SDE64370-17057	22,140
Educational Technology Infrastructure .....	11000-SDE64000-40312	<u>61,215</u>
Total Department of Education .....		<u>221,972</u>
<b>Connecticut State Library</b>		
Connecticard Payments.....	11000-CSL66051-17010	4,213
State Grants to Free Public Libraries .....	11000-CSL66051-17003	2,994
Historical Preservation Grant Award .....	12060-CSL66094-35150	<u>12,000</u>
Total Connecticut State Library .....		<u>19,207</u>

**TOWN OF WETHERSFIELD  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, ETC.**

STATE GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	STATE GRANT PROGRAM IDENTIFICATION NUMBER	EXPENDITURES
<b>Department of Transportation</b>		
Town Aid Roads Grants Transportation Fund .	12001-DOT57131-17036	<u>\$ 137,496</u>
<b>Department of Public Safety</b>		
Telecommunication Fund.....	12060-DPS32740-35190	270
State Assets Forfeiture Revolving Fund .....	12060-DPS32155-35142	<u>2,685</u>
Total Department of Public Safety .....		<u>2,955</u>
<b>Office of the State Comptroller</b>		
Payment in Lieu of Taxes (PILOT) on State - owned property.....	11000-OSC15910-17004	259,577
Mashantucket Pequot/Mohegan Fund .....	12009-OSC15910-17005	<u>351,235</u>
Total Office of the State Comptroller.....		<u>610,812</u>
<b>Department of Economic and Community Development</b>		
Payment In Lieu of Taxes (PILOT) .....	11000-ECD46400-17012-039	<u>19,575</u>
<b>Department of Environmental Protection</b>		
Urban Action Bonds .....	13019-DEP44420-41239	250,000
Forestry Assistance .....	12060-DEP44165-20281	1,578
Municipal Outdoor Recreation Fund.....	12052-DEP44420-40505	<u>211,780</u>
Total Department of Environmental Protection .....		<u>463,358</u>
<b>Board of Education and Services for the Blind</b>		
Education of Handicapped Blind Children .....	11000-ESB65020-12060	<u>22,183</u>

**TOWN OF WETHERSFIELD  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, ETC.**

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STATE GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	STATE GRANT PROGRAM IDENTIFICATION NUMBER	EXPENDITURES
<b>Connecticut Commission on the Arts, Tourism, Culture, History and Film</b>		
Art and Tourism .....	12060-CAT45200-35272	\$ 2,500
Arts Presentation Grant .....	12060-CAT45221-17067	<u>946</u>
Total Connecticut Commission on the Arts, Tourism Culture, History and Film .....		<u>3,446</u>
Total State Financial Assistance before exempt programs .....		<u>1,842,597</u>
<b>EXEMPT PROGRAMS</b>		
<b>Department of Education</b>		
Transportation of School Children .....	11000-SDE64370-17027	186,630
Educational Cost Sharing .....	11000-SDE64370-17041	5,085,671
Excess Costs - Student Based .....	11000-SDE64370-17047	346,828
Transportation School Children Nonpublic .....	11000-SDE64370-17049	20,020
School Construction Grants .....	13009-SDE64370-40896	51,236
School Construction Grants .....	13010-SDE64370-40901	<u>2,212,128</u>
Total Exempt programs .....		<u>7,902,513</u>
<b>TOTAL</b> .....		<u><b>\$9,745,110</b></u>

See Notes to Schedules

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**TOWN OF WETHERSFIELD**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2005**

**I. SUMMARY OF AUDITORS' RESULTS**

*Financial Statements*

Type of auditors' report issued – unqualified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ yes        X   no
- Reportable conditions 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 weaknesses identified? \_\_\_\_\_ yes        X   no
- Reportable conditions identified that are not considered to be material weaknesses? \_\_\_\_\_ yes        X   none reported

Type of auditors' report issued on compliance for major programs – unqualified

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:

<b>State Grantor and Program</b>	<b>State CORE-CT Number</b>	<b>Expenditures</b>
Office of Policy and Management: Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	\$236,732
Office of the State Comptroller: Payment in Lieu of Taxes (PILOT) on State-Owned Property	11000-OSC15910-17004	\$259,577
Mashantucket Pequot/Mohegan Fund	12009-OSC15910-17005	\$351,235

**TOWN OF WETHERSFIELD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, ETC.**

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<b>State Grantor and Program</b>	<b>State CORE-CT Number</b>	<b><u>Expenditures</u></b>
Department of Transportation Town Aid Road	12001-DOT57131-17036	\$137,496
Department of Environmental Protection Municipal Outdoor Recreation Fund	12052-DEP43000-40505	\$211,780
Urban Action Bonds	13019-DEP44420-41239	\$250,000

**II. FINANCIAL STATEMENT FINDINGS**

- We issued reports, dated December 2, 2005, 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*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no reportable conditions.

**III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS**

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

**TOWN OF WETHERSFIELD**

**STATE FINANCIAL ASSISTANCE PROGRAMS**

**NOTES TO SCHEDULES  
FOR THE YEAR ENDED JUNE 30, 2005**

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Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Wethersfield 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, tax reimbursement, transportation and public safety programs.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governments. 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's annual audit report are prepared on the modified accrual basis. The following is a summary of such basis:

- . Revenues are recognized when earned. Certain grants are recognized based on grant award since they are considered entitlement grants; other grants, which are dependent upon expenditure factor for determining eligibility recognize grant revenue to the extent of expenditures.
- . Expenditures are recorded on the accrual basis. Encumbrances are reflected as a reserve against fund balance and accordingly are not reflected as an expenditure.

The Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared based on Section 4-230-19 of the Single Audit Act. In accordance with this section, 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.