

TOWN OF WILLINGTON,
CONNECTICUT
STATE SINGLE AUDIT REPORTS
FOR THE YEAR ENDED
JUNE 30, 2009

TOWN OF WILLINGTON
STATE SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2009
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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

Board of Finance
Town of Willington, Connecticut

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Willington, Connecticut, as of and for the year ended June 30, 2009, which collectively comprise the Town of Willington, Connecticut's basic financial statements and have issued our report thereon dated December 18, 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 Willington, Connecticut's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Willington, Connecticut's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Willington, 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 combination of control deficiencies, that adversely affects the Town of Willington, Connecticut's ability to initiate, authorize, record, process, or report financial data reliably in accordance generally accepted accounting principals such that there is more than a remote likelihood that a misstatement of the Town of Willington, Connecticut's financial statements that is more than inconsequential will not be prevented or detected by the Town of Willington, Connecticut'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 Town of Willington, Connecticut's internal control.

Our consideration of 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 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 Willington, 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*.

This report is intended solely for the information and use of the Board of Finance and management of the Town, 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.

Sincerely yours,

O'Connell, Pace & Company PC

O'CONNELL, PACE, & COMPANY, P.C.

Certified Public Accountants

Hartford, Connecticut

December 18, 2009

O'Connell, Pace, & Company, P.C.

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT ACT, AND ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Board of Finance
Town of Willington, Connecticut

Compliance

We have audited the compliance of the Town of Willington, 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 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 Willington, Connecticut'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 of Willington, 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 on the Town of Willington, Connecticut's compliance with those requirements.

In our opinion, the Town of Willington, 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 Willington, Connecticut, 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, 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 Willington, Connecticut's internal control over compliance.

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 Town of Willington, Connecticut's internal control.

Our consideration of the 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 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 material weaknesses, as defined above.

Schedule of Expenditures of State Financial Assistance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Willington, Connecticut as of and for the year ended June 30, 2009, and have issued our report thereon dated December 18, 2009. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Willington, 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 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 Board of Finance, management of the Town, 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.

Sincerely yours,

O'Connell, Pace, & Company PC

O'CONNELL, PACE, & COMPANY, P.C.
Certified Public Accountants

December 18, 2009

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

<u>STATE GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>State Grant Program Core - CT Number</u>	<u>Expenditures</u>
NONEXEMPT PROGRAMS		
DEPARTMENT OF EDUCATION		
Direct:		
Youth Services Bureau	11000-SDE64000-17052	\$ 14,000
Youth Services Bureau - Enhancement	11000-SDE64000-16201	3,300
Child Nutrition State Match	11000-SDE64000-16072	2,767
Healthy Foods 2008	11000-SDE64000-16072	6,107
Total Department of Education		<u>26,174</u>
OFFICE OF POLICY AND MANAGEMENT		
Direct:		
Property Tax Relief for Manufacturing Machinery and Equipment	11000-OPM20600-17031	16,684
Property Tax Relief for Elderly Homeowners	11000-OPM20600-17018	17,210
Property Tax Relief for Veterans	11000-OPM20600-17024	1,069
Property Tax Relief for Totally Disabled	11000-OPM20600-17011	649
School Heating Assistance	11000-OPM20600-17096	7,154
Local Capital Improvement Program	12050-OPM20600-40254	40,000
Total Office of Policy and Management		<u>82,766</u>
OFFICE OF THE STATE COMPTROLLER		
Direct:		
Boat Grant	12027-OSC15910-40211	462
State Owned Real Property (PILOT)	11000-OSC15910-17004	48,073
Mashantucket Pequot Grant	12009-OSC15910-17005	56,029
Total Office of the State Comptroller		<u>104,564</u>
DEPARTMENT OF TRANSPORTATION		
Direct:		
Town Aid Road	12001-DOT57000-17036	129,871
Other	N/A	27
Total Department of Transportation		<u>129,898</u>
DEPARTMENT OF EMERGENCY HOMELAND SECURITY		
Direct:		
SHSGP Radio Repeater	N/A	5,718
Total Department of Emergency Homeland Security		<u>5,718</u>

The accompanying note is an integral part of this schedule.

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

STATE GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	State Grant Program Core - CT Number	Expenditures
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES		
Passed Through Northeast Communities Against Substance Abuse:		
Substance Abuse Service Grant	11000-HMA53000-16003	2,285
Total Department of Social Services		<u>2,285</u>
CONNECTICUT STATE LIBRARY		
Direct:		
Historical Preservation Grant	12060-CSL66094-35150	7,000
State Grants to Public Libraries	11000-CSL66051-17003	1,514
Connecticard Payments	11000-CSL66051-17010	679
Total Connecticut State Library		<u>9,193</u>
JUDICIAL BRANCH		
Direct:		
Other	N/A	9,845
Total Judicial Branch		<u>9,845</u>
OTHER STATE FINANCIAL ASSISTANCE		
		<u>2,900</u>
Total State Financial Assistance Before Exempt Programs		<u>373,343</u>
EXEMPT PROGRAMS		
DEPARTMENT OF EDUCATION		
Direct:		
Education Cost Sharing	11000-SDE64370-17041	3,679,838
Excess Cost - Student Base	11000-SDE64370-17047	51,557
School Building Grant - Principal	13010-SDE64370-40901	83,479
School Building Grant - Interest	13009-SDE64370-40896	4,179
School Construction Progress Payments	13010-SDE64370-40901	17,700
Transportation of School Children	11000-SDE64370-17027	103,618
Total Exempt Programs		<u>3,940,371</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>\$ 4,313,714</u>

The accompanying note is an integral part of this schedule.

TOWN OF WILLINGTON, CONNECTICUT
STATE FINANCIAL ASSISTANCE PROGRAMS
NOTES TO SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Willington, Connecticut through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs of the Town of Willington, Connecticut.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Willington, Connecticut conform to generally accepted accounting principles in the United States of America as applicable to government agencies. 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 Willington, Connecticut'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 regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 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.

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

1. 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 the 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
 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:

State Grantor and Program	State Grant Program Identification Number	Expenditures
Office of the State Comptroller:		
State Owned Real Property (PILOT)	11000-OSC15910-17004	\$ 48,073
Mashantucket Pequot Grant	12009-OSC15910-17005	\$ 56,029
Department of Transportation		
Town Aid Road	12001-DOT57000-17036	\$129,871

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

**2. SUMMARY OF FINDINGS RELATED TO FINANCIAL STATEMENTS REQUIRED UNDER
GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS**

- We issued reports, dated December 18, 2009, 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 significant deficiencies.

3. FINDINGS AND QUESTIONED COSTS RELATED TO STATE FINANCIAL ASSISTANCE

- No findings or questioned costs are reported relating to State Financial Assistance Programs.