



KING, KING & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Town of Brooklyn, Connecticut

FY 2019 Audit

Presented by:

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Annual Financial Report - Highlights

- **P. 1 – Unmodified opinion**
- **P.10-11, 16-18 – Water Pollution Control Authority Fund is now reported correctly as an enterprise fund.**
 - Beginning restatement to pick up \$1.7 million of Capital Assets not previously capitalized.
 - Positive Change in Net Position of \$109,590 after depreciation.
 - Cash of almost \$1Million, but \$300,000 is payable at year-end to Killingly.
- **P.12 – GF Fund Balances \$964,710 – See page 38 for breakout. Committed is for the LOSAP which is now properly reported in the GF. Restricted is for Town Clerk.**
- **P.12-13 – CNR Fund**
 - Generator project is being reimbursed from STEAP for \$186,874.
 - BAN payable of \$4,414,650. See Sub-Event note page 53, BAN rolled into a new BAN of \$6.6Million.
 - See schedule of changes by project on pages 71-72.

Annual Financial Report – Highlights (Continued)

- P.35 – Long-Term Liabilities – Paydown of GO Bond \$18,279. Decrease in OPEB Liability of \$648,343 due to change in assumptions and difference between actual and expected experience which will be amortized and reported as deferred outflows and inflows of resources in the Government-Wide Financial Statements.
- P.55-58 – General Fund Budgetary Statement
 - Budgeted for use of fund balance of \$200k but did not need to use it.
 - Current year revenues greater than expenditures of \$449,544.
- P.64 – Portion of Teachers Retirement Pension Liability associated with the Town is \$18,317,166, Town is currently responsible for none.
- P.66 – Portion of Teachers OPEB Liability associated with the Town is \$3,661,726, Town is currently responsible for none.
- P.70 – Outstanding Taxes Receivable balance at 6/30/19 is \$253,015. This is roughly 1.6% of the Current Levy.

Prior Period Restatements

- Page 54 shows a table with the various prior period restatements by Fund.
 - Separate WPCA fund as an enterprise fund.
 - Eliminated old interfund balances.
 - Interfund pooled cash account balances were adjusted to be in line with what correct balances should have been.
 - **General Fund**
 - Decrease of \$200k related to BOE Tax Liability.
 - If a portion can be waived, will come back into fund balance as revenue.
 - Old interfund balances between funds were impacting fund balance.
 - Negative net pooled cash balance in the CNR of \$1Million FY2018.
 - School Building Committee Fund Payable to General Fund not adjusted since FY2011.
 - School Building Committee Fund Receivable from CNR not adjusted since FY2011.
 - LOSAP assets added to General Fund since they are not held in a Trust Fund

Federal and State Single Audits

Federal Single Audit

- P.6 – Schedule of FY2019 Federal Award Expenditures
- P.9-11 – Financial Statement Findings

State Single Audit

- P.6 – Schedule of FY2019 expenditures of State Assistance
- P.9-11 – Financial Statement Findings – Same as shown in Federal.

Verbal Findings

- The actuarial report for the Town LOSAP fund should not include the assets held by the Town in bank accounts as they are not held in a Trust Fund.

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