TOWN OF WILTON, CONNECTICUT

FEDERAL AND STATE FINANCIAL AND COMPLIANCE REPORTS YEAR ENDED JUNE 30, 2011

Town of Wilton, Connecticut

Federal and State Financial and Compliance Reports

June 30, 2011

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TOWN OF WILTON, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass - Through Entity Identifying Number	NON ARRA	ARRA	Total Federal Expenditures
U.S. Department of Agriculture					
Pass -Through Programs From:					
Connecticut State Department of Education					
Child Nutrition Cluster:					
National School Lunch Program (NSLP)	10.555	12060SED6437020560	$ 57,703	$ -	$ 57,703
National School Lunch Program (NSLP) - Commodities	10.555	12060SED6437020560	43,359	-	43,359
Total Child Nutrition Cluster			101,062	-	101,062
U.S. Department of Justice					
Direct Programs:					
JAG Program Cluster - Direct					
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Grants to States and Territories	16.803	12060-OPM2035029002	-	30,000	30,000
U.S. Department of Transportation					
Direct Programs:					
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	12062DOT5712422108	403	-	403
Pass - Through Programs From:					
Connecticut Department of Transportation					
State and Community Highway Safety - DUI Enforcement	20.600	12062DOT5734322091	15,604	-	15,604
Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	12062DOT5734322086	10,251	-	10,251
Alcohol Open Container Requirements	20.607	12062DOT5734322091	5,422	-	5,422
			31,277	-	31,277
Pass - Through Programs From:					
Connecticut Department of Environmental Protection					
Recreational Trails Program	20.219	12060DEP4432120296	6,684	-	6,684
Total U.S. Department of Transportation			38,364	-	38,364
U.S. Department of Energy					
Pass - Through Programs From:					
Connecticut Department of Office Policy and Management					
Energy Efficiency and Conservation Block Grant Program (EECBG) - ARRA	81.128	12060-OPM20810-29009	-	28,023	28,023
U.S. Department of Education					
Pass - Through Programs From:					
Connecticut State Department of Education					
Special Education Cluster (IDEA):					
Special Education Grants to States (IDEA, Part B)	84.027	12060SDE6437020977	729,187	-	729,187
Special Education Preschool Grants (IDEA, Preschool)	84.173	12060SDE6437020983	34,609	-	34,609
Special Education Grants to States (IDEA, Part B) Recovery Act	84.391	12060SDE6437029011	-	399,446	399,446
Special Education Preschool Grants (IDEA, Preschool) Recovery Act	84.392	12060SDE6437029012	-	17,935	17,935
Total Special Education Cluster (IDEA)			763,796	417,381	1,181,177
Career and Technical Education - Basic Grants to States, (Perkins IV)	84.048	12060SDE6437020742	25,961	-	25,961
Safe and Drug-Free Schools and Communities - State Grants	84.186	12060SDE6437020873	2,403	-	2,403
English Language Acquisition Gants	84.365	12060SDE643720868	429	-	429
Improving Teacher Quality State Grant	84.367	12060SDE643720858	29,311	-	29,311
State Fiscal Stabilization Fund Cluster:					
State Fiscal Stabilization Fund (SFSF) – Education State Grants Recovery Act	84.394	12060SDE6437029054	-	222,157	222,157
Total U.S. Department of Education			821,900	639,538	1,461,438

See notes to the schedule and independent auditors' report

TOWN OF WILTON, CONNECTICUT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass - Through Entity Identifying Number	NON ARRA	ARRA	Total Federal Expenditures
U.S. Department of Health and Human Services					
Pass - Through Program From:					
State of Connecticut Department of Public Health					
Chronic Diseases: Research, Control and Prevention - Emerging Infections program	93.068	12060-DPH48558-21053	1,485		1,485
Public Health Emergency Preparedness	93.069	12060-DPM48557-22333	13,079	-	13,079
Preventive Health and Health Services Block Grant	93.991	12060DPH48558-21530	1,141	-	1,141
Total U.S. Department of Health and Human Services			15,705	-	15,705
U.S. Department of Homeland Security					
Pass - Through Programs From:					
Connecticut Department of Emergency Management and Homeland Security					
Emergency Management Performance Grants	97.042	12060EHS9966021891	64,724	-	64,724
Citizen Corps	97.053	12060EHS9953021880	1,700	-	1,700
Law Enforcement and Terrorism Prevention Program (LETPP)	97.074	12060EHS9953021877	30,000	-	30,000
Law Enforcement and Terrorism Prevention Program (LETPP)	97.074	12060EHS9953021879	15,000	-	15,000
Total U.S. Department of Homeland Security			111,424	-	111,424
Total Federal Expenditures			$ 1,088,455	$ 697,561	$ 1,786,016

See notes to the schedule and independent auditors' report

Town of Wilton, Connecticut

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2011

1. *Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the Town of Wilton, Connecticut and is presented on the modified accrual basis of accounting for grants which are accounted for in the proprietary fund types. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. *USDA Contributions*

Donated commodities in the amount of $43,559 from the Department of Agriculture are included in the National School Lunch Program, CFDA #10.555. The amount represents the market value of such commodities used during the period.

O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

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*

To the Honorable Members of the Board of Finance
Town of Wilton, 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 Wilton, Connecticut (the "Town") as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements and have issued our report thereon dated December 12, 2011. 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

Management of the Town is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Town'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's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, 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'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 in a separate letter dated December 12, 2011.

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

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Stamford, Connecticut
December 12, 2011

O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

INDEPENDENT AUDITORS' REPORT

To the Honorable Members of the Board of Finance
Town of Wilton, Connecticut

Compliance

We have audited the Town of Wilton, Connecticut's (the "Town") compliance with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2011. The Town's major federal 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 federal programs is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 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 federal 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 of Wilton, Connecticut's compliance with those requirements.

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

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 Wilton, Connecticut as of and for the year ended June 30, 2011 and have issued our report thereon dated December 12, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 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 management and the Board of Finance of the Town of Wilton, Connecticut, federal 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.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Stamford, Connecticut
December 12, 2011

Town of Wilton, Connecticut

Schedule of Findings and Questioned Costs – Federal

June 30, 2011

Section 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?	___ yes	_X_ none reported
Noncompliance material to financial states noted?	___ yes	_X_ no

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	___ yes	_X_ no
• Significant deficiency(ies) identified?	___ 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 510(a) of OMB Circular A-133?	___ yes	_X_ no

Town of Wilton, Connecticut

Schedule of Findings and Questioned Costs – Federal *(continued)*

June 30, 2011

Identification of major programs:

Program Name

Department of Education
Pass-Through Programs From:
Connecticut State Department of Education

Special Education Cluster (IDEA):

Special Education Grants to States (IDEA, Part B)	84.027
Special Education Preschool Grants (IDEA, Preschool)	84.173
Special Education Grants to States (IDEA, Part B) Recovery Act	84.391
Special Education Preschool Grants (IDEA, Preschool) Recovery Act	84.392

Total Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs $300,000

Auditee qualified as low-risk auditee? X yes ____ no

Town of Wilton, Connecticut

Summary of Prior Audit Findings - Federal

Year Ended June 30, 2011

There were no findings relative to federal awards in prior year.

O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE SINGLE AUDIT ACT

INDEPENDENT AUDITORS' REPORT

To the Honorable Members of the Board of Finance
Town of Wilton, Connecticut

Compliance

We have audited the Town of Wilton, Connecticut's (The "Town") compliance with the types of compliance requirements described in the *Office of Policy and Management Compliance Supplement* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2011. 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 the Town'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 Wilton, 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 Town of Wilton, Connecticut's compliance with those requirements.

In our opinion, the Town of Wilton, Connecticut complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the Town of Wilton, 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 Town's internal control over compliance with the requirements that could have a direct and material effect on a major state program to determine the 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, 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 Wilton, Connecticut's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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 Wilton, Connecticut as of and for the year ended June 30, 2011, and have issued our report thereon dated December 12, 2011. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Town of Wilton, 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 solely for the information and use of the Board of Finance of the Town of Wilton, Connecticut the Office of Policy and Management, and other 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.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Stamford, Connecticut
December 12, 2011

TOWN OF WILTON, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2011

State Grantor and Program	State Grant Program Identification Number	Expenditures
Department of Education		
Adult Education - Cooperative	11000-SDE64370-17030	$ 537
Non-Public Health Services	11000-SDE64370-17034	2,858
Youth Services Bureau	11000-SDE64370-17052	14,000
Youth Services Bureau Enhancement	11000-SDE64370-16201	6,250
Magent School - Transportation	11000-SDE64370-17057	7,800
Child Nutrition	11000-SDE64370-16211	8,390
		39,835
Office of Policy and Management		
Property Tax Relief for Manufacturing Machinery and Equipment	11000-OPM20600-17031	247,801
Property Tax Relief - Disability Exemption	11000-OPM20600-17011	242
Property Tax Relief for Elderly	11000-OPM20600-17018	56,282
Property Tax Relief for Veterans	11000-OPM20600-17024	2,822
Municipal Video Competition	12060-OPM20600-35362	71,501
Local Capital Improvement	12060-OPM20600-40254	111,998
		490,646
Department of Economic and Community Development		
Small Town Economic Assistance Program	12052-ECD4600-42411-075	245,362
Department of Judicial Services		
Motor Vehicle Fines	34001-JUD95162-40001	7,973
Department of Public Safety		
State Assets Forfeiture Revolving Fund	12060-DPS32155-35142	2,507
Enhanced 911 Telecommunication Fund	12060-DPS32711-35190	758
		3,265
Connectict Firemen's Association		
Firefighter Training	11000-FPC36510-12442	2,888
Fire Schedule Train & Ed Extension	12060-FCP36520-35180	30
		2,918
Office of the State Comptroller		
Payments in Lieu of Taxes(PILOT) on State Owned Property	11000-OSC15910-17004	96,505
State Department of Transportation		
Bus Operations	12001-DOT57931-12175	25,256
Town Aid Road - STO	13033-DOT57131-43459	114,387
Town Aid Rod Grants - Municipal	12052-DOT57131-43455	41,595
		181,238
State Department of Revenue Services		
Other expenses	11000-DRS16324-10020	271
State Library		
Historic Documents Preservation	12060-CSL66094-35150	3,000

See notes to the schedule and independent auditors' report

TOWN OF WILTON, CONNECTICUT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2011

State Grantor and Program	State Grant Program Identification Number	Expenditures
State Department of Enviromental Protection		
Boating Registration Reimbursements	12060-DEP44434-34907	11,643
Enviromental Quality Fees	11000-DEP43970-12501	188
Enviromental Quality Fees	11000-DEP43740-12501	19
		11,850
Total State Financial Assistance Before Exempt Programs		1,082,863
EXEMPT PROGRAMS		
Office of the State Comptroller		
Mashantucket Pequot Grant	12009-OSC15910-17005	8,643
Department of Education		
Transportation of School Children	11000-SDE64370-17027	367
Education Cost Sharing	11000-SDE64370-17041	1,598,638
Excess Cost - Student Based	11000-SDE64370-17047	1,029,378
School Construction Projects - Interest	13009-SDE64370-40896	58,377
School Construction Projects -Principal	13010-SDE64370-40901	206,508
		2,893,268
TOTAL EXEMPT PROGRAMS		2,901,911
TOTAL STATE FINANCIAL ASSISTANCE		$ 3,984,774

See notes to the schedule and independent auditors' report

Town of Wilton, Connecticut

Notes to Schedule of Expenditures of
State Financial Assistance

Year Ended June 30, 2011

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Wilton, 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, public works, property tax relief, public health, transportation and public safety.

1. Summary of Significant Accounting Policies

The accounting policies of Town of Wilton, Connecticut conform to accounting principles generally accepted 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 for the governmental fund types contained in Town of Wilton, Connecticut's basic financial statements are prepared on the modified accrual basis of accounting. The financial statements for the business-type activities are prepared on the full accrual basis of accounting.

- Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period.

- Expenditures are generally recorded when a liability is incurred except for debt service expenditures, as well as expenditures related to compensated absences, pension obligations, claims and judgments, and other post-employment benefits which are recorded only when payment is due (matured).

The Schedule of Expenditures of State Financial Assistance, contained in this report, is prepared 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 Wilton, Connecticut

Schedule of Findings and Questioned Costs - State

Year Ended June 30, 2011

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? _____ 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? _____ 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 Grant Program Identification Number	State Expenditure
Office of Policy and Management		
Property Tax Relief for Manufacturing Machinery and Equipment	11000-OPM20600-17031	$247,801
Local Capital Improvement	12060-OPM20600-40254	111,998
State Department of Transportation		
Town Aid Road- STO	13033-DOT57131-43459	114,387
Department of Economic and Community Development		
Small Town Economic Assistance Program	12052-ECD4600-42411	245,362

- Dollar threshold used to distinguish between type A and B programs: $200,000