

**BOARD OF FINANCE  
REGULAR MEETING  
JANUARY 12, 2021  
Held Electronically**

**PRESENT:** Jeff Rutishauser, Michael Kaelin, Stewart Koenigsberg, Chris Stroup, Sandra Arkell

**ABSENT:** Kevin Gardiner

**GUESTS:** First Selectwoman Lynne Vanderslice, Members of the BoE, Members of the BoS, State Legislative members – Will Haskell, Tom O’Dea and Stephanie Thomas and CFO Anne Kelly-Lenz

**Call to Order**

Chairman Jeff Rutishauser called the meeting to order at 7:01 pm.

**Legislative Update – Will Haskell, Tom O’Dea, Stephanie Thomas**

Mr. Rutishauser introduced members of the legislature (Will Haskell, Tom O’Dea and Stephanie Thomas) for an update on what is happening in Hartford and upcoming sessions. Mr. Rutishauser opened the floor to questions for the members of the legislature. At the end of discussion, thanked Mr. Haskell, Mr. O’Dea and Ms. Thomas for taking the time to speak at this meeting.

**Audit Review – Blum Shapiro**

Mr. Rutishauser introduced Leslie Zoll of Blum Shapiro and CFO Anne Kelly-Lenz to discuss the Audit review. Ms. Zoll and Ms. Kelly-Lenz reviewed the attached with the board. After review, Mr. Rutishauser opened the floor to questions on the Audit.

Discussion on Blum Shapiro engagement as 2020 was the last year of their contract. Ms. Kelly-Lenz noted town has to go out to bid or go under the state contract.

**Approval of Regular Meeting Minutes of December 1, 2020**

Mr. Rutishauser asked for a motion to approve the Regular Meeting Minutes of December 1, 2020 Meeting Minutes. As there are no additions or changes, motion moved by Mr. Koenigsberg, seconded by Mr. Stroup and carried 5-0.

**Financial Overview**

Anne Kelly-Lenz reviewed the attached with the board.

**Committee Reports**

Budget Operations Committee: Mr. Stroup noted that the Committee met after the last BOF meeting and continued conversation on budgeting and scenario testing based on different assumptions of continuation of COVID. There was no further substantive update.

**Public Comments**

None.

**Adjournment**

Having no further business, Mr. Rutishauser asked for a motion to adjourn. Meeting adjourned at 8:33 pm.

Respectfully submitted,  
Jacqueline Rochester

*\*Minutes have not been reviewed by this Board and may be subject to revision in future minutes.*

# Town of Wilton, Connecticut

2020 Audit Presentation

January 12, 2021

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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# Agenda

- Terms of Engagement
- Executive Summary
- Financial Highlights
- Federal and State Single Audit
- Governance Communication
- Upcoming GASB Pronouncements
- CLA

# Terms of Engagement

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an “in relation” to opinion on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance.
- Express an opinion on compliance related to major federal and state award programs



# Terms of Engagement

- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Provide a report on internal control over compliance related to major federal and state award programs



# Executive Summary

- Financial Statements
  - Unmodified opinion issued on the financial statements
  - No findings reported in report on internal control and compliance

# Executive Summary

- Federal Single Audit
  - Unmodified opinion on major federal program (Special Education Cluster)
  - No compliance findings or significant deficiencies in internal control over compliance reported



# Executive Summary

- State Single Audit
  - Unmodified opinion on major state program (Town Aid Road, Municipal Grants-In-Aid)
  - No compliance findings or significant deficiencies in internal control over compliance reported





# Financial Highlights

- Governmental activities (CAFR page 7)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 47,324	\$ 46,258	\$ 9,817	\$ 9,639	\$ 57,141	\$ 55,897
Capital assets, net of accumulated depreciation	182,859	184,235	3,739	3,860	186,598	188,095
Total assets	230,183	230,493	13,556	13,499	243,739	243,992
Deferred outflows of resources	6,538	3,497			6,538	3,497
Current liabilities	14,357	16,615	44	63	14,401	16,678
Long-term liabilities outstanding	86,106	85,333			86,106	85,333
Total liabilities	100,463	101,948	44	63	100,507	102,011
Deferred inflows of resources	3,814	5,156		4	3,814	5,160
Net Position:						
Net investments in capital assets	101,844	100,894	3,739	3,860	105,583	104,754
Unrestricted	30,600	25,992	9,773	9,572	40,373	35,564
Total Net Position	\$ 132,444	\$ 126,886	\$ 13,512	\$ 13,432	\$ 145,956	\$ 140,318

# Financial Highlights

- Governmental Funds (CAFR page 17)

TOWN OF WILTON, CONNECTICUT BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2020					EXHIBIT III
	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 21,598,723	\$ 6,883,204	\$ 3,937,838	\$ 32,419,765	
Investments	3,494,543			3,494,543	
Property taxes receivable, net	2,146,314			2,146,314	
Due from other governments		112,096	463,865	575,961	
Other receivables, net	1,164,063	1,476	28,918	1,194,457	
Due from other funds	1,953,293	540	287,358	2,241,191	
Prepaid expenditures	69,645		200	69,845	
Inventories			36,212	36,212	
Total Assets	\$ 30,426,581	\$ 6,997,316	\$ 4,754,391	\$ 42,178,288	
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued items	\$ 3,065,868	\$ 583,382	\$ 106,264	\$ 3,755,514	
Due to other funds	504,144		433,937	938,081	
Due to other governments	4,464		552	5,016	
Unearned revenue	438,541		618,432	1,056,973	
Total liabilities	4,013,017	583,382	1,159,185	5,755,584	
Deferred inflows of resources:					
Unavailable revenue - property taxes	2,606,647			2,606,647	
Fund balances:					
Nonspendable	69,645		36,412	106,057	
Restricted		6,413,934	103,908	6,517,842	
Committed			3,455,438	3,455,438	
Assigned	12,486,470			12,486,470	
Unassigned	11,250,802		(552)	11,250,250	
Total fund balances	23,806,917	6,413,934	3,595,206	33,816,057	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 30,426,581	\$ 6,997,316	\$ 4,754,391	\$ 42,178,288	

# Financial Highlights

- Proprietary Funds (page 21)

TOWN OF WILTON, CONNECTICUT STATEMENT OF NET POSITION - PROPRIETARY FUNDS JUNE 30, 2020					EXHIBIT V
	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Major Fund Water Pollution Control Authority	Transfer Station	Total	Internal Service Funds	
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 6,279,224	\$ 202,134	\$ 6,481,358	\$ 5,997,244	
Investments	738,473		738,473		
Accounts receivable, net	5,670	20,859	26,529		
Total current assets	7,023,367	222,993	7,246,360	5,997,244	
Noncurrent assets:					
Receivables - special assessments and connection charges, net	2,579,053		2,579,053		
Capital assets, nondepreciable		128,956	128,956		
Capital assets, net of accumulated depreciation	3,610,019		3,610,019		
Total noncurrent assets	6,189,072	128,956	6,318,028	-	
Total assets	13,212,439	351,949	13,564,388	5,997,244	
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued items	10,843	33,323	44,166	174,219	
Due to other funds	1,675	6,286	7,961	1,511,395	
Current portion of claims payable			-	714,239	
Total current liabilities	12,518	39,609	52,127	2,399,853	
Noncurrent liabilities:					
Claims payable			-	384,845	
Total liabilities	12,518	39,609	52,127	2,784,698	
<b>Net Position:</b>					
Investment in capital assets	3,610,019	128,956	3,738,975		
Unrestricted	9,589,902	183,384	9,773,286	3,212,546	
Total Net Position	\$ 13,199,921	\$ 312,340	\$ 13,512,261	\$ 3,212,546	

# Financial Highlights

- Fiduciary Funds (page 24)

		EXHIBIT VIII
<b>TOWN OF WILTON, CONNECTICUT</b>		
<b>STATEMENT OF NET POSITION - FIDUCIARY FUNDS</b>		
<b>JUNE 30, 2020</b>		
	<b>Pension and</b>	
	<b>Other</b>	<b>Agency Fund</b>
	<b>Employee</b>	<b>Student</b>
	<b>Benefit</b>	<b>Activity</b>
	<b>Trust Funds</b>	<b>Funds</b>
Assets:		
Cash and cash equivalents	\$ 1,861,085	\$ 539,245
Investments, at fair value:		
Mutual funds	130,883,629	
Accounts receivable	73	
Due from other funds	216,246	
Total assets	132,961,033	\$ 539,245
Liabilities:		
Accounts payable	174,514	\$
Fiduciary deposits		539,245
Total liabilities	174,514	\$ 539,245
Net Position:		
Restricted for Pension and OPEB Benefits	\$ 132,786,519	



# Financial Highlights

- Property Tax Collections
  - 99.28% compared to 99.23% in the prior year
- General Fund Unassigned Fund Balance
  - \$11,250,802 which is 8.9% of revenue and other financing sources
- Net Pension Liability- \$5,020,691
  - 96.11% funded
- OPEB Asset - \$1,381,698
  - 118.95% funded



# Federal Single Audit

- Total federal awards expended - \$1.6M
- Major program – Special Education Cluster
- Unmodified opinion on major program compliance
- No compliance or internal control finding



# State Single Audit

- Total state awards expended - \$3.2M
- Major program – Town Aid Road and Municipal Grants In Aid
- Unmodified opinion on major program compliance
- No compliance or internal control finding

# Auditors' Communication

- New standards adopted – none
- Significant Estimates
  - Capital Assets – Useful lives
  - Net Pension Liability
  - Net OPEB Liability
  - Heart and Hypertension Liability and Loss Contingencies



# Auditors' Communication

- No disagreements with management
- Management did not consult with other accountants
- No difficulties encountered in performing the audit
- No uncorrected misstatements
- No independence issues



# Management Letter

- Comments and Recommendations
  - Uniform Guidance
  - Cybersecurity
  - Accounting Procedures Manual



# GASB Standards

- Implementation Year 2021
  - Statement 84 – Fiduciary Activities
  - Statement 90 – Majority Equity Interests
  - Statement 92 – Omnibus 2020 (various)

# GASB Standards

- Implementation Year 2022
  - Statement 87 – Leases
  - Statement 89 – Accounting for Interest Cost before the End of a Construction Period
  - Statement 92 – Omnibus 2020 (various)
  - Statement 93 – Replacement of Interbank Offered Rates
  - Statement 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

# GASB Standards

- Implementation Year 2023
  - Statement 91 – Conduit Debt Obligations
  - Statement 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements
  - Statement 96 – Subscription-Based Information Technology Arrangements

# Blumshapiro >>> CLA

- Effective 1/1/2021
- Same Values/Culture
- Teams still intact
- CLA Currently serves ~3,500 government clients
- More resources





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Questions?





To 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, for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards*, the Uniform Guidance and the Connecticut State Single Audit Act), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 21, 2020. Professional standards also require that we communicate to you the following information related to our audit.

## **SIGNIFICANT AUDIT MATTERS**

### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Wilton, Connecticut, are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were as follows:

Management's estimate of the net pension liability is based on an actuarial valuation utilizing various assumptions and estimates approved by management.

Management's estimate of the net other post employment benefit (OPEB) liability is based on an actuarial valuation utilizing various assumptions and estimates approved by management.

Management's estimate of the useful lives of governmental activities and business-type activities capital assets, which are used in computing depreciation in the government-wide and proprietary fund financial statements.

Management's estimate of the heart and hypertension liability is calculated by the Town's attorney using actual and historical information.

Management's estimate of the allowance for loss contingencies is based on information provided by legal counsel.



We evaluated the key factors and assumptions used to develop the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.

#### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### **Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

#### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated November 30, 2020.

#### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **OTHER MATTERS**

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedules, supplementary pension information and supplementary OPEB information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining and individual fund financial statements and schedules, the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical tables, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

## **RESTRICTION OF USE**

This information is intended solely for the information and use of the Board of Finance and management of the Town of Wilton, Connecticut, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Blum, Shapiro & Company, P.C.*

West Hartford, Connecticut  
November 30, 2020

	Taxes Collectable	YTD Collections	November Balance	YTD Collection Rate
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**Grand List 2019**

Real Estate	105,249,218	54,133,834	51,115,384	51.43%
Personal Property	5,826,611	3,308,170	2,518,441	56.78%
Motor Vehicle	5,407,873	5,251,725	156,148	97.11%
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	116,483,702	62,693,729	53,789,974	53.82%

**Grand List 2018**

Real Estate	108,452,688	55,832,261	52,620,426	51.48%
Personal Property	5,965,849	3,500,724	2,465,125	58.68%
Motor Vehicle	5,580,216	5,419,118	161,099	97.11%
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	119,998,753	64,752,103	55,246,650	53.96%

	FY 20 Actual YTD	FY 21 Amended Budget	FY 21 Actual YTD	FY 21 Actual YTD to Amended Budget Fav/(Unfav)	FY 21 Forecast	FY 21 Actual to Amended Budget Fav/(Unfav)
<b>Revenues</b>						
Taxes	64,383,794	116,715,634	73,880,987	(42,834,647)	116,855,634	140,000
Education	8,000	207	115,449	115,242	515,153	514,946
Town Intergovernmental	3,500	780,961	276,296	(504,665)	779,341	(1,620)
Licenses, Permits & Fees	741,051	1,142,675	1,494,049	351,374	1,762,450	619,775
Other Revenues	131,982	485,433	424,778	(60,655)	537,028	51,595
Interest	210,450	390,000	44,870	(345,130)	100,000	(290,000)
Investments	3,888	10,000	(13,206)	(23,206)	10,000	-
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	65,482,666	119,524,910	76,223,224	(43,301,686)	120,559,606	1,034,696
<b>Expense</b>						
Debt Service	3,599,166	9,015,041	2,546,682	6,468,359	9,015,041	-
Board of Education	23,296,026	82,344,563	37,101,451	45,243,112	82,344,563	-
Board of Selectmen	6,774,068	32,097,312	15,623,281	16,474,031	31,684,059	413,253
Board of Selectmen Capital	51,679	818,412	(15,495)	833,907	818,409	3
Charter Authority	-	2,969,160	-	2,969,160	-	2,969,160
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	33,720,939	127,244,488	55,255,919	71,988,569	123,862,072	3,382,416

Combined Town and BOE Grants					
Agency	Period Coverage	Town Request	BOE Request	Total Request	Reimb. Received
FEMA	3rd qtr. 2020	24,197.73	27,601.51	51,799.24	38,849.43
	4th qtr.2020	205,805.13	155,454.90	361,260.03	Pending @ 75%
Total FEMA		230,002.86	183,056.41	413,059.27	38,849.43
State CRF	3rd & 4th qtr. 2020	68,597.06	147,655.42	216,252.48	216,252.48
	1st & 2nd qtr. 2021	10,616.98	97,823.02	108,440.00	108,440.00
Total State		79,214.04	245,478.44	324,692.48	324,692.48
Total Requested/Reimbursed		309,216.90	428,534.85	737,751.75	363,541.91
Possible additional reimbursement					270,945.02
Total Potential Reimbursement					634,486.93

Additional BOE only Grants				
Agency	Period Coverage	BOE Allotment	BOE Allotment	Reimb. Received
ESSER	3rd & 4th qtr. 2020	77,995.00	77,995.00	77,995.00
State BOE CFR	3rd & 4th qtr. 2020	132,149.00	132,149.00	132,149.00
Total BOE additional Grants		210,144.00	210,144.00	210,144.00