The Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes) requires Connecticut municipalities to prepare their financial statements in accordance with generally accepted accounting principles. These principles are promulgated by the Governmental Accounting Standards Board (GASB).

July 2015

In June of 2012, the Governmental Accounting Standards Board (GASB) issued a pair of related statements for public pension plans and for employers whose employees participate in such plans. GASB Statement No. 67 – Financial Reporting for Pension Plans is effective for fiscal year beginning July 1, 2013 and GASB Statement No. 68 – Accounting and Financial Reporting for Pensions is effective for fiscal year beginning July 1, 2014.

In the review of the June 30, 2014 financial audit reports of municipalities and certain other local governments, it was observed that several financial audit reports did not reflect the implementation of GASB Statement No. 67. A municipality that is required to implement GASB Statement Number 67 or Number 68, will not be considered in compliance with the Municipal Auditing Act if it submits an audit report that does not reflect implementation of the pension standard(s). If, for some reason, the standards are not implemented, Independent Auditors should make the appropriate opinion modification in the Independent Auditors’ Reports.