
TOWN OF BROOKLYN, CONNECTICUT

Federal Single Audit

For the Year Ended June 30, 2021

TOWN OF BROOKLYN, CONNECTICUT

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**INDEPENDENT AUDITOR'S 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 Board of Finance
Town of Brooklyn, Connecticut

We have audited, 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 the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Brooklyn, Connecticut (the "Town"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated February 16, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs such as item 2019-01 to be a material weakness.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the deficiencies described in the accompanying schedule of findings and questioned costs such as item 2021-01 to be a significant deficiency.

Compliance and Other Matters

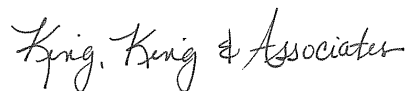
As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

Town of Brooklyn, Connecticut's Response to Findings

The Town's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



King, King & Associates, CPAs
Winsted, CT
February 16, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

To the Board of Finance
Town of Brooklyn, Connecticut

Report on Compliance for Each Major Federal Program

We have audited the Town of Brooklyn, CT's (Town) compliance with the types of compliance requirements described in the *OMB 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, 2021. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town, complied, in all material respects, with the types of 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, 2021.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, 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.

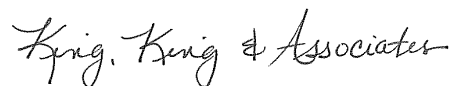
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We have issued our report thereon dated February 16, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming 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 the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



King, King & Associates, CPAs
Winsted, CT
February 16, 2022

TOWN OF BROOKLYN, CONNECTICUT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title	FEDERAL CFDA NUMBER	Pass-Through Entity Identifying Number	TOTAL EXPENDED
United States Department of Agriculture			
<i>Passed Through the State of Connecticut Department of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	12060-SDE64370-20508	\$ 96,574
COVID-19 - School Breakfast Program	10.553	12060-SDE64370-29576	28,475
National School Lunch Program - USDA Commodities	10.555	N/A	27,304
National School Lunch Program	10.555	12060-SDE64370-20560	162,850
COVID-19 - National School Lunch Program	10.555	12060-SDE64370-29572	31,340
Total United States Department of Agriculture			<u>346,543</u>
United States Department of the Treasury			
<i>Passed Through the State of Connecticut Department of Education:</i>			
COVID-19 - Coronavirus Relief Fund	21.019	12060-SDE64370-29561	154,084
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>			
COVID-19 - Coronavirus Relief Fund	21.019	12060-OPM20600-29561	83,433
Total United States Department of the Treasury			<u>237,517</u>
United States Department of Education			
<i>Passed Through the State of Connecticut Department of Education:</i>			
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679	200,309
Special Education Cluster:			
Special Education - Preschool Grants	84.173	12060-SDE64370-20983	11,020
Special Education - Grants to States	84.027	12060-SDE64370-20977	214,321
			<u>225,341</u>
Title II - Improving Teacher Quality Grants	84.367	12060-SDE64370-20858	22,181
Title IV - Student Support and Academic Enrichment	84.424	12060-SDE64370-22854	14,902
COVID-19 - Elementary & Secondary School Emergency Relief Fund (ESSER)	84.425D	12060-SDE64370-29571	169,052
Total United States Department of Education			<u>631,785</u>
United States Election Assistance Commission			
<i>Passed Through the State of Connecticut Secretary of State:</i>			
Help America Vote Act	90.401	12060-SOS12500-21465	6,190
Total Expenditures of Federal Awards			\$ <u>1,222,035</u>

See notes to schedule.

TOWN OF BROOKLYN, CONNECTICUT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal grant activity of the Town of Brooklyn, Connecticut ("Town") under programs of the federal government for the year ended June 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

Summary of Significant Accounting Policies

Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The financial statements for the governmental fund types contained in the Town's basic financial statements are prepared on the modified accrual basis of accounting. The government-wide financial statements and 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 the related fund liability is incurred, if measurable.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Noncash Awards

Donated commodities in the amount of \$27,304 are included in the Department of Agriculture's National School Lunch Program, CFDA #10.555. This amount represents the market value of commodities received.

Indirect Costs

The Town of Brooklyn has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.

Other Federal Assistance

The following is a summary of loan program activity for the year ended June 30, 2021.

US Department of Agriculture: Drinking Water and Wastewater Loan Programs:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance Beginning</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Ending</u>
2016	2.25%	\$ 1,115,000	\$ 1,042,670	\$ -	\$ 19,111	\$ 1,023,559

TOWN OF BROOKLYN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

We audited the financial statements of the Town of Brooklyn, Connecticut as of and for the year ended June 30, 2021 and issued our unmodified report thereon dated February 16, 2022.

Internal control over financial reporting:

- Material weakness(es) identified? ✓ Yes No
- Significant deficiency(ies) identified? ✓ Yes None Reported

Noncompliance material to financial statements noted?

 Yes ✓ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes ✓ No
- Significant deficiency(ies) identified? Yes ✓ None Reported

We have issued an unmodified opinion relating to compliance for major Federal programs.

Any audit findings disclosed that are required to be reported in accordance with Section 516(a) of the Uniform Guidance?

 Yes ✓ No

Identification of Major Programs

84.010 Title I
10.553, 10.555 Child Nutrition Cluster

Dollar Threshold

Dollar threshold used to distinguish between type A and type B programs: \$750,000.

Low-Risk Auditee

The Town of Brooklyn, Connecticut did not qualify as a low-risk auditee.

TOWN OF BROOKLYN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

II. FINANCIAL STATEMENT FINDINGS

- We issued reports, dated February 16, 2022, on internal control over financial reporting and on compliance and other matters based on our 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 material weaknesses and significant deficiencies described below as finding 2019-01 and 2021-01.

FINDING 2019-01

Criteria

The Town should have internal controls over financial reporting that provides reasonable assurance that the accounting records can be relied upon and used to prepare the basic financial statements and related notes in conformity with accounting principles generally accepted in the United States of America.

Condition

Material adjustments were needed for the accounting records to be in accordance with U.S. GAAP.

Context

Due to turnover of personnel, particularly in the Financial Director position, reconciliations have not been consistently performed in the accounting system.

Effect

Material adjustments needed to be made to the accounting records.

Cause

There has been turnover in the Finance Director position multiple times, and controls and procedures were not in place to ensure accurate financial reporting.

Recommendation

We recommend that the Town implement policies and procedures in order to ensure accurate financial reporting.

Views of Responsible Officials and Planned Corrective Actions

Management will continue to implement and improve procedures to ensure the accurate reporting of financial records. Management will seek guidance to ensure that GAAP are followed.

TOWN OF BROOKLYN, CONNECTICUT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

FINDING 2021-01

Criteria

Per state statute, the Town cannot overspend its budgetary controls.

Condition

The Town of Brooklyn has overspent its budget.

Context

The Town received Covid Relief funds and allocated the funds to offset the Police expenditure line. At the time of the allocation, the Town believed that this was an allowable expense.

Effect

Over expenditure of approved funds.

Cause

Due to the evolving regulations of the Covid Relief Funds, it was later learned that the allocated funds to the police expenditure line was not an allowable expense. This created a one-time unexpected over expenditure of one line item of the budget.

Recommendation

We recommend that budgetary controls be established and enforced to prevent future over expenditures.

Views of Responsible Officials and Planned Corrective Actions

This was an isolated occurrence; it is unlikely to occur again due to the nature of this type of grant.

III. FEDERAL AWARD - FINDINGS AND QUESTIONED COSTS

- No findings or questioned costs are reported relating to federal award programs.

TOWN OF BROOKLYN, CONNECTICUT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021

Prior Year Material Weaknesses

Finding 2019-01 – Material Weakness in Internal Control over Financial Reporting

This finding has been repeated.



TOWN OF BROOKLYN

P.O. Box 356 - Route 6 and 169
BROOKLYN, CONNECTICUT 06234

OFFICE OF SELECTMEN
(860) 779-3411 Option 2

TOWN CLERK
(860) 779-3411 Option 4

TAX COLLECTOR
(860) 779-3411 Option 5

ASSESSOR
(860) 779-3411 Option 6

Town of Brooklyn, Connecticut State Single Audit Corrective Action Plan For the Year Ended June 30, 2021

Office of Policy and Management
450 Capitol Avenue MS-54MFS
Hartford, CT 06106-1379

Municipal Finance Services Unit Attn: William Plummer

AUDIT FINDINGS

Finding Reference Number: 2019-01

Description of Finding:

The Town should have internal controls over financial reporting that provides reasonable assurance that the accounting records can be relied upon and used to prepare the basic financial statements and related notes in conformity with accounting principles generally accepted in the United States of America.

Statement of Concurrence or Nonconcurrence:

The Town agrees with this finding.

Corrective Action:

Management will continue to implement and improve procedures to ensure the accurate reporting of financial records. Management will seek guidance to ensure that GAAP are followed.

Name of Contact Person:

Austin Tanner, First Selectman, 860-779-3411 ext. 11, a.tanner@brooklynct.org

Projected Completion Date: June 2022

Finding Reference Number: 2021-01

Description of Finding:

Due to the evolving regulations of the Covid Relief Funds, it was later learned that the excess of expenditures over appropriations in the police expenditures line was not an allowable grant expense. This created a one-time unexpected over expenditure of one line item of the budget.

Statement of Concurrence or Nonconcurrence:

The Town agrees with this finding.

Corrective Action:

This was an isolated occurrence; it is unlikely to occur again due to the nature of this type of grant.

Name of Contact Person:

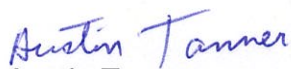
Austin Tanner, First Selectman, 860-779-3411 ext. 11, a.tanner@brooklynct.org

Projected Completion Date: June 2022

There are no questioned costs.

If the Office of Policy and Management has questions regarding this plan, please call Austin Tanner at 860-779-3411 ext. 11.

Sincerely yours,



Austin Tanner
First Selectman
Town of Brooklyn, Connecticut