Statement Regarding the Delinquent FY2025 Audit Letter 8/9/2026

We will start the meeting by addressing the letter the Town received from the Office of Policy and Management regarding our FY2025 audit.

First, I want to provide reassurance that this letter does not indicate that the Town is experiencing financial distress or that there are concerns about the Town's financial stability. This letter is a procedural notification issued because the FY2025 audit was not completed within the statutory deadline after all allowable extensions had been exhausted.

The primary reason for the delay was that the FY2024 audit process began when the statutory deadline was within a month of exhaustion. As a result, the FY2025 audit could not begin on its normal schedule, creating a domino effect that delayed the completion of the FY2025 audit.

The delay was also impacted by significant staff turnover during the last two years, including changes within the Town's finance department, staffing transitions at the Board of Education and at the WPCA. These changes required additional time to gather documentation, transition responsibilities, and ensure the financial information provided to the auditors was complete and accurate.

It is important to emphasize that this is an issue of timing, not the Town's financial condition.

Town finance staff, the Board of Education, the WPCA, and the auditors have been working together to complete any outstanding audit requirements. They have been onsite this week working on the FY2025 audit for a tentative September completion. We are committed to providing OPM with the information they have requested and are working to return to a normal reporting schedule.

We recognize the importance of timely financial reporting and transparency. Five audit firms cover the majority of Connecticut municipalities, CLA holds the largest share, this means we also need to fit within their schedule of other municipalities who are on a normal reporting schedule. The Town does plan to go out to bid for FY 2026 audit services by the Fall.