

To the Town Council
Town of Trumbull, Connecticut

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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 Trumbull, 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 July 24, 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 Trumbull, 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 allowance for doubtful accounts related to taxes and water billings receivable is based on certain historical data and currently known information.

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

Management's estimate of the incurred but reported claims are based on historical data as well as past experience provided by plan administrators.

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. There were no sensitive disclosures affecting the financial statements.

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 December 28, 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.

In connection with the audit, we have issued a management letter with suggestions for improvements to controls surrounding payroll processing at the Board of Education and general ledger maintenance.

In addition, a significant deficiency has been reported in relation to reporting capital leases in accordance with generally accepted accounting principles. These control deficiencies are reported in both the federal single audit and the state single audit.

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.

RESTRICTION OF USE

This information is intended solely for the use of the Town Council and management of the Town of Trumbull, 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
December 28, 2020