



## TOWN OF WEST SENECA

MEGAN K. WNEK, CPA  
DIRECTOR OF FINANCE

TOWN SUPERVISOR  
GARY A. DICKSON  
TOWN COUNCIL  
WILLIAM BAUER  
JOSEPH J. CANTAFIO  
JEFF PIEKAREC  
WILLIAM P. HANLEY

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**TO:** Honorable Town Board / Town of West Seneca

**FROM:** Megan K. Wnek, CPA  
Director of Finance

**DATE:** August 3, 2020

**RE:** Independent Audit Presentation

Please see attached overview of the presentation to be performed by the Town's Independent Auditors, R.A. Mercer, for the fiscal year ended December 31, 2019.

*Town of West Seneca*  
*Financial Statement Presentation*  
*As of and for the Year Ended December 31, 2019*  
*August 3, 2020*

**Overview**

1. Unmodified (“clean”) opinion on the financial statements of the Town of West Seneca (the “Town”) for the year ended December 31, 2019.
2. Completed fieldwork (predominantly remotely this year) in June, 2020.
3. Report dated June 25, 2020.
4. No deficiencies in internal controls noted.
5. No findings noted.
6. Management letter issued with the report (summarized below).

**Financial Information**

1. Total assets and deferred outflows of resources of the Town were \$129 million at the end of 2019.
2. The largest sources of the Town’s revenue were property taxes and sales taxes, accounting for approximately 69% and 14% of total revenue respectively.
3. The largest expense categories of the Town were public safety, transportation, and home and community services (sanitary sewer services, garbage and refuse services, etc.), accounting for 30% and 27% of total expenses respectively.
4. The Town’s fund balance (as shown on the fund financial statements) was \$16 million. This is an increase of \$1.7 from 2018. The breakdown of this amount by fund was as follows:

a. General Fund:	\$4.3 million
b. Highway Fund:	\$1.1 million
c. Sewer Fund:	\$4.7 million
d. Capital Projects Fund:	\$5.0 million
e. Other Governmental Funds:	\$1.2 million

The unassigned fund balance in the general fund was \$2.5 million. This is approximately 8.7% of total general fund expenditures.

5. Total term debt of the Town (bonds and leases) decreased by \$4.3 million in 2019 to \$56.5 million. The Town’s OPEB liability (actuarially calculated) increased by \$1.6 million. The Town’s New York State ERS and PFRS pension liabilities (actuarially calculated) increased by \$1.6 million and \$1.1 million respectively.

**Other Information**

1. Footnotes to the financial statements presented on pages 24-51.
2. Supplemental information presented on pages 54-67.
3. The last two pages of the report includes our letter to Council regarding required communications:
  1. No findings noted
  2. New accounting pronouncements adopted during 2019
  3. Review of estimates
  4. No material audit journal entries made
  5. No disagreements with management

### **Summary of Management Letter Recommendations**

1. We recommend the Board continue to review its budgeting process. We noted that, in the General fund, public safety and home and community services were over budget. In the Capital Projects fund, some projects had negative fund balances associated with them, indicating that the expenditures were over budget.
2. We recommend a physical inventory counting at the Highway Department annually.
3. We recommend the Board implement measures to plan for the impact of the COVID 19 pandemic.
4. We recommend the Town continue to review its contracts periodically to prevent over-billings in the future.

We would like to commend the management and employees of the Town, especially in the finance department, for working with us under particularly unusual circumstances this year to help us in the performance of our required audit procedures.