



TOWN OF WEST SENECA

ALISSA C. STRAUS
DIRECTOR OF FINANCE

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

TO: Honorable Town Board / Town of West Seneca

FROM: Alissa C. Straus
Director of Finance

DATE: July 26, 2021

RE: Independent Audit Presentation

Please see the attached overview of the presentation to be performed by the Town's Independent Auditors, R.A. Mercer, for the fiscal year ended December 31, 2020.

Town of West Seneca
Financial Statement Presentation
As of and for the Year Ended December 31, 2020
July 26, 2021

Overview

1. Unmodified (“clean”) opinion on the financial statements of the Town of West Seneca (the “Town”) for the year ended December 31, 2020.
2. Completed fieldwork in June, 2021.
3. Report dated June 24, 2021.
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 \$146 million at the end of 2020.
2. The largest sources of the Town’s revenue were property taxes and sales taxes, accounting for approximately 71% 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 33%, 22% and 25% of total expenses respectively.
4. Fund balance:
The Town’s fund balance (as shown on the fund financial statements) was \$16.5 million. This is an increase of \$169 thousand from 2019. The breakdown of this amount by fund was as follows:

a. General Fund:	\$6.0 million (an increase of \$1.6 million)
b. Highway Fund:	\$1.9 million (an increase of \$774 thousand)
c. Sewer Fund:	\$4.3 million (a decrease of \$367 thousand)
d. Capital Projects Fund:	\$3.2 million (a decrease of \$1.9 million)
e. Other Governmental Funds:	\$1.2 million (no material change)

The unassigned fund balance in the general fund was \$4.2 million. This is approximately 15.2% of total general fund expenditures.
5. Long-Term Liabilities:
Total term debt of the Town (bonds and leases) decreased by \$4.4 million in 2019 to \$52 million. Additionally, the Town issued a deficiency anticipation note in 2020 for \$600 thousand (which matures in 2022).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 \$7.6 million and \$6.2 million respectively due to the large decrease in investment value that occurred in March, 2020 (the measurement date for these liabilities).

Other Information

1. Footnotes to the financial statements presented on pages 24-49.
2. Supplemental information presented on pages 52-65.
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 2020
 3. Review of estimates
 4. No material audit journal entries made
 5. No disagreements with management

Summary of Management Letter Recommendations

1. In the Capital Projects fund, some projects had negative fund balances associated with them, indicating that the expenditures were incurred for certain projects without amounts budgeted to pay for them. We recommend that the Town Board review its budgeting procedures to ensure that all capital projects are fully funded.

The Director of Finance indicated that she plans on reviewing the schedule of open capital projects during the 2021 year.

We would like to commend the management and employees of the Town, especially in the finance department during a year of transitioning to a new Director of Finance, for working with us under to help us in the performance of our required audit procedures.