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**PRESENTATION TO THE BOARD OF TRUSTEES**

**2021 FISCAL YEAR AUDIT OF**

**INCORPORATED VILLAGE OF NORTHPORT**

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**OCTOBER 5, 2021**

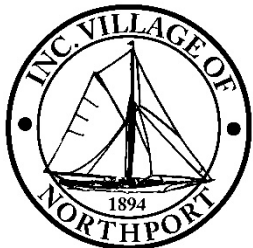
**DAVID TELLIER, PARTNER**

**SEAN O'MALLEY, SUPERVISOR**

# Scope of Services Rendered

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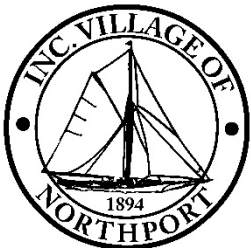
- Audit of the financial statements for the year ended February 28, 2021 in accordance with U.S. generally accepted auditing standards and Government Auditing Standards
- Preparation of the Village's financial statements
- Audit of the Justice Court Funds for the year ended February 28, 2021 (cash basis of accounting)
- Issuance of a management letter, presenting our findings and recommendations on improving accounting procedures and internal controls
- Presentation of the results of the fiscal 2021 financial statements and audit to the Board of Trustees



# Audit “Readiness” and Responsiveness

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- Excellent audit cooperation throughout fieldwork
- All planned audit procedures successfully implemented
- Fieldwork performed through a combination of on-site work and remote due to COVID-19
- Substantially all audit fieldwork was completed by July 31<sup>st</sup>
- New York State Annual Update Document (AUD) filed on time
- No material weaknesses or significant deficiencies in internal control were identified



# Financial Statement Highlights

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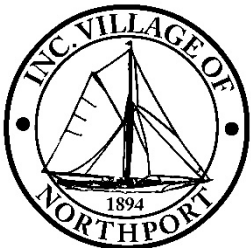
- An unmodified opinion on the financial statements and an unmodified opinion on audit performed in accordance with Government Auditing Standards (pages 1-2)
- Management’s Discussion and Analysis (pages 3-14)
- Village-wide financial statements (“full accrual” or “economic basis”) (pages 15-16)
  - Positive working capital of \$6.1 million
  - Current ratio of approximately 3.8 to 1.0
  - Capital assets, net of depreciation total \$28.4 million with a current year decrease of \$747K
  - Other post-employment benefit liability totaled \$17.3 million with a current year increase of \$916K
  - Positive net position of \$7.3 million



# Financial Statement Highlights

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- Governmental fund financial statements (“current focus”) (pages 17-20)
  - Positive working capital of \$7.5 million
  - Current ratio of approximately 4.1 to 1.0
  - Total combined fund balance of \$7.4 million
  - Positive change in General Fund fund balance of \$291K
    - Revenues were over budget by \$146K
    - Expenditures were under budget by \$1.1 million
  - Negative change in Sewer Fund fund balance of \$6K
    - Revenues were over budget by \$78K
    - Expenditures were over budget by \$53K
  
- Notes to financial statements (pages 21-46)
  - Presentation consistent with prior years
  - Change in accounting principle in Note 2 (page 27)



# Financial Statement Highlights

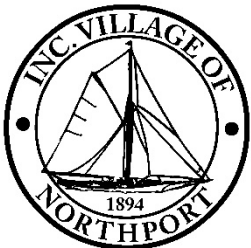
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- Required Supplementary Information Other Than MD&A (pages 47-54)
  - Budget and Actual Schedules for both (2) major funds with legally adopted budgets
  - Length of Service Award Program
  - Other Post-Employment Benefits
  - Proportionate Share of Net Pension Liability - NYSERS and NYSPFRS
  - Schedule of Pension Contributions - NYSERS and NYSPFRS

## FINDINGS AND RECOMMENDATIONS

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- No material weaknesses or significant deficiencies in internal control were identified
- Two current year recommendations relating to the timing of deposits and bank reconciliations
- Three prior year recommendations remain in the process of being implemented.



# Contact Information

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