

**SENECA COUNTY ECONOMIC  
DEVELOPMENT CORPORATION**

**SENECA COUNTY, NEW YORK**

**COMMUNICATING INTERNAL CONTROL  
RELATED MATTERS IDENTIFIED IN AN  
AUDIT**

**For Year Ended December 31, 2020**



**MENGEL METZGER BARR & CO. LLP**

Certified Public Accountants

March 11, 2021

To the Board of Directors  
Seneca County Economic  
Development Corporation  
Seneca County, New York

In planning and performing our audit of the combined financial statements of the Seneca County Economic Development Corporation, New York as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Seneca County Economic Development Corporation, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the Corporation's combined financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be a material weakness.

**Prior Year Material Weakness Pending Corrective Action:**

**Deficit Net Assets –**

The Cemetery reported a deficit net assets balance of \$811,583 at December 31, 2020. Losses from operations for the years ending December 31, 2020 and 2019 were \$82,269 and \$85,892, respectively. Management's analysis of fundraising efforts has concluded that soliciting donations is unlikely to generate sufficient revenues to offset losses due to normal Cemetery operations. The EDC does currently have sufficient funds to continue to meet the cash flow needs of the Cemetery during the contract period. Management does not anticipate a contract renewal.

**Prior Year Recommendation:**

The following prior year recommendation has been implemented to our satisfaction:

1. A lockbox has been installed at the cemetery for which the Office Manager has the key to check for any donations contributed to the EDC.

This communication is intended solely for the information and use of management, the Board of Directors, audit committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

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We wish to express our appreciation to all client personnel for the courtesies extended to us during the course of our examination.

*Mengel, Metzger, Barw & Co. LLP*

Rochester, New York  
March 11, 2021