

February 17, 2023

To the Finance Committee of the Board of Directors of the  
Town of Amherst Industrial Development Agency:

We have audited the financial statements of the Town of Amherst Industrial Development Agency (the Agency) for the year ended December 31, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, 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 December 22, 2022. 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 Agency are described in Note 2 to the financial statements.

***No new accounting policies were adopted and the application of existing policies was not changed during 2022.***

***We noted no transactions entered into by the Agency 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.

***There were no particularly sensitive estimates in the current year financial statements.***

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Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

***We did not note any particularly sensitive disclosures made by management in connection with our audit.***

The financial statement disclosures are neutral, consistent, and clear.

#### **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 clearly trivial, and communicate them to the appropriate level of management.

***The misstatements identified in our audit, and corrected by management, are displayed on Exhibit A. 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.***

***Exhibit B summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.***

#### **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 auditor's 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 the date of the Independent Auditor's Report.

#### **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 Agency'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 Agency’s auditors.

*However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.*

**Other Matters**

We applied certain limited procedures to management’s discussion and analysis (MD&A), which is 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.

We were engaged to report on the Schedule of Financing Activity and the Schedule of Detailed Financing Activity, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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**Restriction on Use**

This information is intended solely for the information and use of the Finance Committee, the Board of Directors, and management of the Town of Amherst Industrial Development Agency and is not intended to be and should not be used by anyone other than these specified parties.

**TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY**  
**(A Discretely Presented Component Unit of the Town of Amherst, New York)**

**Exhibit A**

**Summary of Audit Adjustments**  
**For the year ended December 31, 2022**

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Change in net position - unaudited	\$	923,863
Current year audit adjustments:		
To record current year capital asset additions		13,288
To adjust current year depreciation		<u>(901)</u>
Change in net position - audited	\$	<u>936,250</u>

**TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY**  
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**Exhibit B**

**Schedule of Uncorrected Misstatements**  
**For the year ended December 31, 2022**

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In the current year, the Agency implemented GASB 87, *Leases*. The impact of this standard on the Agency was not material, and as a result, the effects were not included in the Agency's financial statements. The impact of recording these entries in the Agency's financial statements would have been as follows as of December 31, 2022 and 2021:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Right-to-use asset	\$ 5,175	\$ 8,983
Lease liability	\$ 5,175	\$ 8,983