

Town of Cicero

Report on Agreed Upon Procedures

For the Period of

January 1, 2006 through December 31, 2009

TOWN OF CICERO

SEP 10 2011

TOWN CLERK



**BENN & COMPANY CPAs, PLLC**

**Independent Accountant's Report on Applying Agreed-Upon Procedures**

To the Management and Board of the Town of Cicero

We have performed the procedures enumerated below, which were agreed to by the Town of Cicero solely to assist the specified parties in evaluating the Town of Cicero's compliance with the outlined agreed-upon procedures as listed here within, for the four years covering January 1, 2006 to December 31, 2009. Management is responsible for the Town of Cicero's classification of the expenditures. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose which this report has been requested or for any other purpose.

1. Agreed upon procedures: Test the legal disbursements and expenses for the period January 1, 2006 through December 31, 2009.
  - a. Determine if the legal fees and expenses have been properly charged to the project known as the Brewerton Revitalization Project.
  - b. Determine if other legal fees and disbursement/billings include a specific reference to a project and is consistent with project.
  - c. Determine if the legal fees and expenses disbursement/billings were authorized and approved by the board.

Findings:

- a. We reviewed the legal fees and expenses charged to the project known as the Brewerton Revitalization Project and found not all of the amounts were charged properly.
- b. We reviewed the other legal fees and disbursement/billings. We determined the invoices did not properly reference a specific project but rather broad categories. As such, these expenses were not always consistently charged to the economic development code. Additionally, professional services contracts should reference specific individuals to better understand the services received and the individuals assigned.
- c. We reviewed the other legal fees and disbursement/billings. We determined the individual invoices did not appear to be properly reviewed, authorized and approved by the Board.

Corrective Action:

- The Board is entrusted with safe guarding the Town's assets and resources and charged with the responsibility of prudent oversight of the Town's overall management. It is the legal obligation and responsibility of the Board Members individually and collectively to take the necessary steps to ensure the Town is receiving the best service at the most competitive price for such services.
  - The Board needs to take a more active role in reviewing such disbursement/billings to ensure they are properly coded to the proper projects.
  - In addition such disbursement/billings need to be examined thoroughly to ensure the Town is not being charged for costs that should be included in the retainer agreements. The general retainer agreement was written very broadly, however, invoices appeared to be perfunctory approved by the Supervisor and the Board.
  - The Town should implement a special work order system to better control legal expenditures not covered by retainer, including but not limited to, special project identification with budget and goals. The Board should approve these out of retainer services prior to commencement of the special project. This would allow for the Town Board timely review instead of after the fact approval of payment.
2. Review any external reporting regarding the project.

Agreed upon procedures:

- a. Review the legal disbursements as reported within the New York State Annual Update Documents

Findings: -

- a. Legal expenses as reported in the annual update document (AUD) for the items listed in the summary agreed to the categories as listed.
3. If records are insufficient for proper classification, we will request a duplicate copy be produced by the Town and/or the vendor(s) and/or conduct interviews of the applicable Town employees to help establish classification.

Findings:

- a. It was not readily apparent the proper project classification of some of the invoicing since multiple projects were billed under a single invoice utilizing broad categories.

- b. During our work we did not find back up for 7 missing invoices, it was determined the Town did not have the physical copy of the voucher or invoice. It did appear invoices were missing and requesting duplicates was deemed unnecessary due to the materiality of the missing invoices. These items were allocated based on the available information.
- c. We conducted interviews of the applicable Town employees to help establish classification and found the invoices were not charged line by line to the proper projects as necessary.
- d. Upon reviewing the various invoices line by line and based on the interviews with the current Town employees and assumptions used, we have listed the results for legal fees in attachment 1A. Also included is a summary total for Brewerton Revitalization for all expenses.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended for the use of the Management and Board of the Town Cicero, it is not intended to be relied upon by anyone other than the specified parties.

*Bern & Company CPAs, PLLC*

September 12, 2011

Town of Cicero  
 Legal Fees & Brewerton Revitalization Project  
 Breakdown of Expenditures - Attachment 1A  
 For the years ending 2006, 2007, 2008 and 2009

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Total</u>
<b>Legal fees:</b>					
Brewerton Revitalization Project	\$ 30,425	\$ 88,094	\$ 17,946	\$ 203	\$ 136,668
Retainer Town Board - Economic Development	-	-	96,000	88,000	184,000
Retainer Town Board	148,790	150,000	150,000	150,000	598,790
Other Economic development (town allocated salaries not included)	75,270	31,151	-	-	106,421
Tax Certiorari	3,325	10,251	7,088	4,446	25,110
Bans and other borrowings	2,008	810	810	540	4,168
Labor matters (No other major matters)	30,863	29,993	945	2,430	64,231
Credit rating	40,711	44,179	15,000	-	99,890
Special developer funded work (T - accounts)	61,750	52,750	33,750	12,500	160,750
Expenses	7,964	2,380	2,816	2,157	15,317
Items qualifying for retainer coverage and or questioned costs	16,846	11,028	713	-	28,587
<b>Total</b>	<b>\$ 417,952</b>	<b>\$ 420,636</b>	<b>\$ 325,068</b>	<b>\$ 260,276</b>	<b>\$ 1,423,932</b>
 <b>Brewerton Revitalization Project:</b>					
Other costs relative to Brewerton Revitalization Project	\$ 1,887	\$ 99,500	\$ 71,254	\$ 19,563	\$ 192,204
2010 Brewerton costs (1)	-	-	-	-	151,142
Legal fees from above (2)	30,425	88,094	17,946	203	136,668
<b>Total</b>	<b>\$ 32,312</b>	<b>\$ 187,594</b>	<b>\$ 89,200</b>	<b>\$ 19,766</b>	<b>\$ 480,014</b>

(1) 2010 Brewerton costs of \$151,142, all planning related and not attorney based.

(2) Legal fees do not include the economic retainer, of \$184,000

**Town Council**  
Jessica Zambrano  
Lynn Jennings  
Vern Conway  
James E. Corl, Jr.

**Supervisor**  
Judy A. Boyke  
(315) 699-1414

**Town Clerk**  
Tracy M. Cosilmon  
(315) 699-8109

**Receiver of Taxes**  
Sharon M. Edick  
(315) 699-2756  
Fax (315) 699-9562



**Highway Superintendent**  
Christopher J. Woznica  
(315) 699-2745  
Fax (315) 699-2746

**Town Justices**  
Robert S. Walczyk, Jr.  
Douglas M. DeMarché, Jr.  
(315) 699-8478  
Fax (315) 699-7017

# TOWN OF CICERO

COUNTY OF ONONDAGA

P.O. BOX 1517, CICERO, NEW YORK 13039-1517 • FAX 315-699-0039 • e-mail: [jboyke@ciceronewyork.net](mailto:jboyke@ciceronewyork.net)

September 15, 2011

**Benn & Company CPAs, PLLC**  
5797 Route 31  
Cicero, NY 13039

In connection with your examination of the assertions of The Town of Cicero records for the period of January 1, 2006 through December 31, 2009 for the purpose of expressing an opinion as to whether the assertions fairly stated in all material respects, we confirm, to the best of our knowledge and belief, the following representations made to you during your examination.

1. We are responsible for complying with the assertions as per the attachment.
2. Management is responsible for establishing and maintaining effective internal control over compliance.
3. Management has performed an evaluation of the Town's compliance with the assertions.
4. Management asserts that the internal control over compliance with the assertions is based upon the Town's established policies, procedures and compliance with New York State municipal law.
5. We have disclosed to you all known noncompliance.
6. We have made available to you all documentation related to compliance with the specified assertions.
7. We have disclosed any communications from regulatory agencies, internal auditors, and other practitioners concerning possible noncompliance with the specified assertions, including communications received between the end of the period addressed in management's assertion and the date of your report.
8. We have disclosed any known noncompliance occurring subsequent to the period for which, or date as of which, management selects to make its assertion.

**Youth Bureau**  
**Parks and Recreation**  
(315) 699-5233

**Comptroller**  
(315) 699-2759

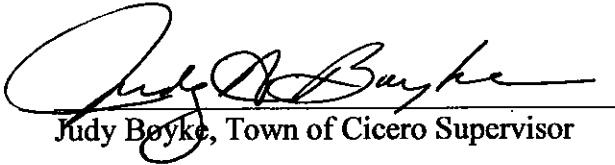
**Assessor**  
(315) 699-1410

**Zoning and Planning**  
(315) 699-2201

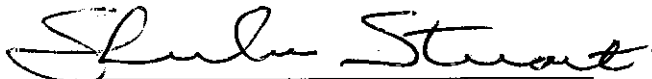
Benn & Company CPAs, PLLC

September 12, 2011

Page 2

  
Judy Boyke, Town of Cicero Supervisor

9/15/11  
Date

  
Shirlie Stuart, Town of Cicero Comptroller

9-15-11  
Date