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**Management Letter**

Members of Council  
Borough of Brentwood  
Pittsburgh, Pennsylvania

Dear Members:

In planning and performing our audit of the financial statements of the Borough of Brentwood for the year ended December 31, 2019, we considered the Borough's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The following summarizes our comments and suggestions regarding these matters:

Real Estate Tax

Per the Pennsylvania Department of Community and Economic Development's Tax Collector manual, the Real Estate Tax Collector is required to report the activity and make deposits for tax collections by the tenth day of each month for the previous month's activity. We noted that a number of the monthly reports were not filed on a timely basis.

Capital Assets

During the course of the audit, it was noted that there were assets that were not included on the appraisal company report on capital assets. In addition, it was noted that there were assets on the capital asset report from the appraisal company that the Borough no longer has ownership rights to.

We recommend that the Borough properly update its appraisal report by adding or deleting assets as necessary.

General Fund

Cash Reconciliations

During the course of the audit, it was noted that the fire escrow account contains a balance in its account, however, it was noted there were no outstanding amounts owed to residents. Rather, there had been returns of funds to residents through the general fund account.

We recommend that the Borough transfers such funds to the general fund account.

Wage and Payroll Tax Reporting

During the course of the audit, it was noted that the 941 wages and withholdings did not reconcile to the W-3.

We recommend that the Borough reconcile the 941 reports and W-3 to each other to ensure accurate reporting.

Sewer Fund/Trash Operations

During the course of the audit, it was noted that the trash collection operations were included in the billing/collection system reports with sewage. In addition, it was noted that the amount collected by the sewer fund for trash operations to be transferred to the general fund was not correct throughout 2019.

We recommend that the Borough monitors the trash collections per billing company and the general ledger on at least a monthly basis and properly determine amount to be transferred to the general fund. We also recommend that the Borough devise a separate trash and sewage billing/collection system.

Finally, it was noted that the Borough had made a duplicate payment to a contractor and was not noted by the Borough until the audit.

We recommend that the Borough monitors its payments to contractors so it does not make duplicate payments.

This letter does not affect our report dated September 18, 2020, on the financial statements of the Borough of Brentwood.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Respectfully submitted,

*Hosack, Specht, Muetzel & Wood LLP*

HOSACK, SPECHT, MUETZEL & WOOD LLP  
Pittsburgh, Pennsylvania  
September 18, 2020