

**TOWN OF LANCASTER,
NEW YORK**

*Statement of Changes in Cash Balances and Statements
of Cash Receipts and Disbursements of the Town Clerk and the
Town Justices for the Year Ended December 31, 2015
and Independent Auditors' Report*

TOWN OF LANCASTER, NEW YORK
Table of Contents
Year Ended December 31, 2015

	<u>Page</u>
Independent Auditors' Report.....	1
Financial Statements:	
Town Clerk and Town Justices—Statement of Changes in Cash Balances	3
Town Clerk—Taxes—Statement of Cash Receipts and Disbursements	4
Town Clerk—Licenses, Permits and Fees—Statement of Cash Receipts and Disbursements.....	5
Town Justices—Statement of Cash Receipts and Disbursements	6
Note to the Financial Statements	7

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable Town Board
Town of Lancaster, New York

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the Town Clerk and Town Justices (the "Departments"), Town of Lancaster, New York, as of and for the year ended December 31, 2015, and the related note to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1 to the financial statements; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances as of December 31, 2015 and the cash receipts collected and cash disbursements paid of the Departments, Town of Lancaster, New York, for the year ended December 31, 2015, on the cash basis of accounting described in Note 1 to the financial statements.

Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared on a cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matter

Departments of the Town

As discussed in Note 1, the financial statements of the Departments, Town of Lancaster, New York are intended to present the cash balances and the cash receipts collected and cash disbursements paid that are attributable to the Departments. They do not purport to, and do not, present fairly the financial position of the Town of Lancaster, New York, as of December 31, 2015 or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



May 17, 2016

TOWN OF LANCASTER, NEW YORK
Town Clerk and Town Justices—
Statement of Changes in Cash Balances
Year Ended December 31, 2015

	Town Clerk		
	Taxes	Licenses, Permits and Fees	Town Justices
Cash balance, January 1, 2015	\$ 500	\$ 114,301	\$ 51,239
Add: Cash receipts	80,429,726	1,203,795	502,335
Deduct: Cash disbursements	80,429,726	1,001,313	469,203
Cash balance, December 31, 2015	\$ 500	\$ 316,783	\$ 84,371

The note to the financial statements is an integral part of this statement.

TOWN OF LANCASTER, NEW YORK
Town Clerk—Taxes—Statement of
Cash Receipts and Disbursements
Year Ended December 31, 2015

Cash balance, January 1, 2015		\$ 500
Receipts:		
County and Town taxes:		
Taxes	\$ 39,297,092	
Penalties and fees	42,772	
Interest	<u>3,873</u>	39,343,737
School taxes:		
Taxes	41,038,577	
Penalties and fees	41,995	
Interest	<u>3,470</u>	41,084,042
Interest on bank accounts		<u>1,947</u>
Total receipts		<u>80,429,726</u>
Disbursements:		
Remittances to County Commissioner of Finance:		
County taxes	18,929,603	
Interest	3,873	
Less: unpaid parcel fee	<u>(516)</u>	18,932,960
Remittances to Town Supervisor:		
Town taxes	20,367,489	
Penalties and fees	85,283	
Interest on bank accounts	<u>1,947</u>	20,454,719
Remittances to school districts:		
School taxes	41,038,577	
Interest	<u>3,470</u>	41,042,047
Total disbursements		<u>80,429,726</u>
Cash balance, December 31, 2015		<u>\$ 500</u>

The note to the financial statements is an integral part of this statement.

TOWN OF LANCASTER, NEW YORK
Town Clerk—Licenses, Permits and Fees—
Statement of Cash Receipts and Disbursements
Year Ended December 31, 2015

	<u>Petty Cash</u>	<u>Town Fees</u>	<u>State Fees</u>	<u>Total</u>
Cash balance, January 1, 2015	\$ 300	\$ 109,619	\$ 4,382	\$ 114,301
Receipts:				
Licenses and fees	-	1,133,096	-	1,133,096
Interest earnings	-	23	-	23
Marriage licenses	-	-	4,455	4,455
Conservation licenses	-	-	57,202	57,202
Bingo/games of chance	-	-	2,974	2,974
Dog licenses	-	-	6,045	6,045
Total receipts	<u>-</u>	<u>1,133,119</u>	<u>70,676</u>	<u>1,203,795</u>
Disbursements:				
Licenses and fees	-	930,922	-	930,922
Interest earnings	-	23	-	23
Marriage licenses	-	-	4,410	4,410
Conservation licenses	-	-	55,631	55,631
Bingo/games of chance	-	-	4,264	4,264
Dog licenses	-	-	6,063	6,063
Total disbursements	<u>-</u>	<u>930,945</u>	<u>70,368</u>	<u>1,001,313</u>
Cash balance, December 31, 2015	<u>\$ 300</u>	<u>\$ 311,793</u>	<u>\$ 4,690</u>	<u>\$ 316,783</u>

The note to the financial statements is an integral part of this statement.

TOWN OF LANCASTER, NEW YORK
Town Justices—Statement of Cash Receipts and Disbursements
Year Ended December 31, 2015

	<u>Justice LoCicero</u>	<u>Justice Colby</u>	<u>Justice Cervi</u>	<u>Total</u>
Cash balance, January 1, 2015	\$ 32,358	\$ -	\$ 18,881	\$ 51,239
Receipts:				
Fines, surcharges and fees	-	214,346	217,364	431,710
Bail postings	-	16,177	48,151	64,328
Transfers in	-	6,297	-	6,297
Total receipts	<u>-</u>	<u>236,820</u>	<u>265,515</u>	<u>502,335</u>
Disbursements:				
Payments to Town Supervisor	21,108	196,361	214,753	432,222
Bail forfeitures and refunds	4,953	11,921	13,810	30,684
Transfers out	6,297	-	-	6,297
Total disbursements	<u>32,358</u>	<u>208,282</u>	<u>228,563</u>	<u>469,203</u>
Cash balance, December 31, 2015	<u>\$ -</u>	<u>\$ 28,538</u>	<u>\$ 55,833</u>	<u>\$ 84,371</u>

The note to the financial statements is an integral part of this statement.

TOWN OF LANCASTER, NEW YORK
Note to the Financial Statements
Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying cash basis financial statements include the operations of the Town Clerk and Town Justices, Town of Lancaster, New York (the "Town"). These departments maintain accounting records on the cash basis of accounting; whereby, revenue is recognized as cash is received and expenditures are recognized when cash is disbursed. Consequently, accounts receivable due and amounts due to others at December 31, 2015 are not included in the financial statements.

However, cash due to the Town at December 31, 2015 is recorded in the basic financial statements. The departments' bank accounts are independent of the Town's general books of accounts. All cash balances at December 31, 2015 are FDIC insured.

Revenues of the Town, which are collected by these departments, are remitted by these departments to the Town Supervisor to the extent specified under Town Law. Other receipts are remitted directly to individuals or entities designated to receive such funds.

* * * * *

**** THIS PAGE INTENTIONALLY LEFT BLANK ****