

**TOWN OF LANCASTER,
NEW YORK**

*Statement of Changes in Cash Balances and
Statements of Cash Receipts and Disbursements
of the Town Clerk and Town Justices for the
Year Ended December 31, 2011 and
Independent Auditors' Report*

TOWN OF LANCASTER, NEW YORK
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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable Town Board
Town of Lancaster, New York

We have audited the accompanying statement of changes in cash balances and the related statements of cash receipts and disbursements of the Town Clerk and Town Justices of the Town of Lancaster, New York, for the year ended December 31, 2011. These financial statements are the responsibility of the management of the Town of Lancaster, New York. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements of the Town Clerk and Town Justices, are intended to present the cash balances and the cash receipts and cash disbursements that are attributable to the aforementioned 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, 2011 or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also as discussed in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, such financial statements present fairly, in all material respects, the changes in cash balances and the revenue collected and expenditures paid of the Town Clerk and Town Justices of Town of Lancaster, New York, for the year ended December 31, 2011, on the basis of accounting described in Note 1.

Drescher & Malecki LLP

May 17, 2012

TOWN OF LANCASTER, NEW YORK
Town Clerk and Town Justices
Statement of Changes in Cash Balances
Year Ended December 31, 2011

	Town Clerk		
	Taxes	Licenses, Permits and Fees	Town Justices
Cash balance—beginning	\$ 500	\$ 22,099	\$ 48,933
Add: cash receipts	74,973,564	779,562	343,556
Deduct: cash disbursements	<u>74,973,564</u>	<u>762,417</u>	<u>358,395</u>
Cash balance—ending	<u>\$ 500</u>	<u>\$ 39,244</u>	<u>\$ 34,094</u>

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, 2011

Cash balance—beginning		\$ <u>500</u>
RECEIPTS:		
County and Town taxes:		
Taxes	\$ 37,809,028	
Penalties and fees	84,433	
Interest	<u>6,265</u>	37,899,726
School taxes:		
Taxes	37,026,342	
Interest	3,380	
Penalties and fees	<u>38,428</u>	37,068,150
Interest on bank accounts		<u>5,688</u>
Total receipts		<u>74,973,564</u>
DISBURSEMENTS:		
Remittances to Erie County, Commissioner of Finance:		
County taxes	17,133,160	
Interest on taxes	<u>6,265</u>	17,139,425
Remittances to Town of Lancaster, Supervisor:		
Town taxes	20,675,353	
Penalties and fees	123,377	
Interest on bank accounts	<u>5,688</u>	20,804,418
Remittances to school districts:		
School taxes	37,026,341	
Interest on school taxes	<u>3,380</u>	37,029,721
Total disbursements		<u>74,973,564</u>
Cash balance—ending		\$ <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, 2011

	Petty Cash	Entity Entitled to Funds		Total
		Town	New York State	
Cash balance—beginning	\$ 300	\$ 18,880	\$ 2,919	\$ 22,099
RECEIPTS:				
Town - various licenses and fees	-	694,693	-	694,693
Town - interest earnings	-	151	-	151
N.Y.S. - marriage licenses	-	-	4,772	4,772
N.Y.S. - conservation licenses	-	-	69,916	69,916
State bingo/games of chance	-	-	4,863	4,863
State dog licenses	-	-	5,167	5,167
	-	694,844	84,718	779,562
Total receipts	-	694,844	84,718	779,562
DISBURSEMENTS:				
Town's share of various licenses and fees	-	678,594	-	678,594
Town - interest earnings	-	151	-	151
N.Y.S. share of marriage licenses	-	-	4,727	4,727
N.Y.S. share of conservation licenses	-	-	70,055	70,055
N.Y.S. share of bingo/games of chance	-	-	3,986	3,986
State dog licenses	-	-	4,904	4,904
	-	678,745	83,672	762,417
Total disbursements	-	678,745	83,672	762,417
Cash balance—ending	\$ 300	\$ 34,979	\$ 3,965	\$ 39,244

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, 2011

	<u>Justice Montour</u>	<u>Justice Kelleher</u>	<u>Total</u>
Cash balance—beginning	\$ 30,336	\$ 18,597	\$ 48,933
Receipts:			
Fines, surcharges and fees	138,912	169,132	308,044
Bail postings	<u>19,002</u>	<u>16,510</u>	<u>35,512</u>
Total receipts	<u>157,914</u>	<u>185,642</u>	<u>343,556</u>
Disbursements:			
Fines, surcharges and fees	140,356	171,461	311,817
Bail forfeitures and refunds	<u>31,848</u>	<u>14,730</u>	<u>46,578</u>
Total disbursements	<u>172,204</u>	<u>186,191</u>	<u>358,395</u>
Cash balance—ending	<u>\$ 16,046</u>	<u>\$ 18,048</u>	<u>\$ 34,094</u>

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

TOWN OF LANCASTER, NEW YORK
Town Clerk and Town Justices
Note to the Financial Statements
Year Ended December 31, 2011

1. The accompanying cash basis financial statements include the operations of the Town Clerk and Town Justices. These departments maintain accounting records on the cash basis, whereby revenue is recognized as cash is received and expenditures are recognized when cash is disbursed. Consequently, accounts receivable, due from others and amounts due to others at December 31, 2011 are not included in the financial statements.

Revenues of the Town, which are collected by these departments, are remitted 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.

The departments' bank accounts are maintained separately from the Town's general books of accounts. All cash balances are FDIC insured.

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