

**TOWN OF LANCASTER,
NEW YORK**

*Statement of Changes in Cash Balances and Statements
of Cash Receipts and Cash Disbursements of the Town Clerk
and the Town Justices for the Year Ended December 31, 2017
and Independent Auditors' Report*

TOWN OF LANCASTER, NEW YORK
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Year Ended December 31, 2017

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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, 2017, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances for the Departments, Town of Lancaster, New York, as of December 31, 2017, and the cash receipts collected and cash disbursements paid for the year then ended on the cash basis of accounting described in Note 1 to the financial statements.

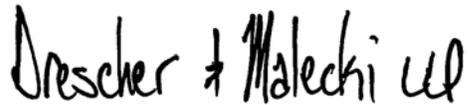
Basis of Accounting

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, 2017, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



June 19, 2018

TOWN OF LANCASTER, NEW YORK
Town Clerk and Town Justices—
Statement of Changes in Cash Balances
Year Ended December 31, 2017

	Town Clerk		
	Taxes	Licenses, Permits and Fees	Town Justices
Cash balance, January 1, 2017	\$ 500	\$ 40,244	\$ 50,142
Add: Cash receipts	87,716,951	731,565	539,679
Deduct: Cash disbursements	86,223,354	730,692	528,739
Cash balance, December 31, 2017	\$ 1,494,097	\$ 41,117	\$ 61,082

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 Cash Disbursements
Year Ended December 31, 2017

Cash balance, January 1, 2017		\$ <u>500</u>
Receipts:		
County and Town taxes:		
County taxes	\$ 20,396,849	
Town taxes	21,431,373	
Penalties and fees	50,199	
Interest	6,335	
Tax Prepayments	<u>1,493,597</u>	43,378,353
School taxes:		
Taxes	44,281,588	
Penalties and fees	50,671	
Interest	<u>4,663</u>	44,336,922
Interest on bank accounts		<u>1,676</u>
Total receipts		<u>87,716,951</u>
Disbursements:		
Remittances to Erie County, Commissioner of Finance:		
County taxes		20,396,849
Remittances to Town of Lancaster, Supervisor:		
Town taxes	21,431,373	
Penalties and fees	101,403	
Interest on taxes	6,335	
Interest on bank accounts	1,676	
Less: Unpaid Parcel Fee	<u>(533)</u>	21,540,254
Remittances to School Districts:		
School taxes	44,281,588	
Interest on school taxes	<u>4,663</u>	44,286,251
Total disbursements		<u>86,223,354</u>
Cash balance, December 31, 2017		<u>\$ 1,494,097</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 Cash Disbursements
Year Ended December 31, 2017

	<u>Petty Cash</u>	<u>Town Fees</u>	<u>State Fees</u>	<u>Total</u>
Cash balance, January 1, 2017	\$ 300	\$ 36,362	\$ 3,582	\$ 40,244
Receipts:				
Licenses and fees	-	673,925	-	673,925
Interest earnings	-	55	-	55
Marriage licenses	-	-	4,590	4,590
Conservation licenses	-	-	44,223	44,223
Bingo/games of chance	-	-	2,378	2,378
Dog licenses	-	-	6,394	6,394
Total receipts	<u>-</u>	<u>673,980</u>	<u>57,585</u>	<u>731,565</u>
Disbursements:				
Licenses and fees	-	675,783	-	675,783
Interest earnings	-	55	-	55
Marriage licenses	-	-	4,500	4,500
Conservation licenses	-	-	43,717	43,717
Bingo/games of chance	-	-	86	86
Dog licenses	-	-	6,551	6,551
Total disbursements	<u>-</u>	<u>675,838</u>	<u>54,854</u>	<u>730,692</u>
Cash balance, December 31, 2017	<u>\$ 300</u>	<u>\$ 34,504</u>	<u>\$ 6,313</u>	<u>\$ 41,117</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 Cash Disbursements
Year Ended December 31, 2017

	Justice Colby	Justice Cervi	Total
Cash balance, January 1, 2017	\$ 30,402	\$ 19,740	\$ 50,142
Receipts:			
Fines, surcharges and fees	242,643	234,093	476,736
Bail	28,010	34,933	62,943
Prior period adjustment	(6,102)	6,102	-
Total receipts	264,551	275,128	539,679
Disbursements:			
Payments to Town Supervisor	239,766	230,325	470,091
Bail forfeitures and refunds	26,504	32,144	58,648
Total disbursements	266,270	262,469	528,739
Cash balance, December 31, 2017	\$ 28,683	\$ 32,399	\$ 61,082

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, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying cash basis financial statements include the operations of the Town Clerk and Town Justices (the “Departments”), 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, 2017 are not included in the financial statements. However, cash due to the Town at December 31, 2017 is recorded in the Town’s basic financial statements.

The departments’ bank accounts are independent of the Town’s general books of accounts. All cash balances 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.

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