

**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, 2018  
and Independent Auditors' Report*



**TOWN OF LANCASTER, NEW YORK**  
**Table of Contents**  
**Year Ended December 31, 2018**

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	<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 Cash Disbursements .....	4
Town Clerk—Licenses, Permits and Fees— Statement of Cash Receipts and Cash Disbursements .....	5
Town Justices—Statement of Cash Receipts and Cash Disbursements .....	6
Note to the Financial Statements .....	7



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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, 2018, 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 of the Departments, Town of Lancaster, New York, as of December 31, 2018, 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.

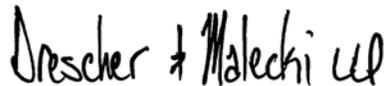
***Basis of Accounting***

We draw attention to Note 1 to the financial statements; which describes the basis of accounting. The financial statements are prepared on the 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 of the 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 transactions of 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, 2018, 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.



June 5, 2019

**TOWN OF LANCASTER, NEW YORK**  
**Town Clerk and Town Justices—**  
**Statement of Changes in Cash Balances**  
**Year Ended December 31, 2018**

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	<b>Town Clerk</b>		
	<b>Taxes</b>	<b>Licenses, Permits and Fees</b>	<b>Town Justices</b>
Cash balance, January 1, 2018	\$ 1,494,097	\$ 41,117	\$ 61,082
Add: Cash receipts	88,975,085	880,326	529,557
Deduct: Cash disbursements	90,468,682	854,037	537,049
Cash balance, December 31, 2018	\$ 500	\$ 67,406	\$ 53,590

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, 2018**

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Cash balance, January 1, 2018		<u>\$ 1,494,097</u>
Cash receipts:		
County and town taxes:		
County taxes	\$ 21,592,185	
Town taxes	22,463,911	
Penalties and fees	49,505	
Interest	4,691	44,110,292
School taxes:		
Taxes	46,289,287	
Penalties and fees	59,265	
Interest	<u>3,246</u>	46,351,798
Interest on bank accounts		6,592
Prior year prepayments		<u>(1,493,597)</u>
Total cash receipts		<u>88,975,085</u>
Cash disbursements:		
Remittances to Erie County Commissioner of Finance:		
County taxes		21,596,369
Remittances to Town of Lancaster Supervisor:		
Town taxes	22,463,911	
Penalties and fees	104,585	
Interest on taxes	4,691	
Interest on bank accounts	<u>6,592</u>	22,579,779
Remittances to School Districts:		
School taxes	46,289,287	
Interest on school taxes	<u>3,247</u>	46,292,534
Total cash disbursements		<u>90,468,682</u>
Cash balance, December 31, 2018		<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 Cash Disbursements**  
**Year Ended December 31, 2018**

	<u>Petty Cash</u>	<u>Town Fees</u>	<u>State Fees</u>	<u>Total</u>
Cash balance, January 1, 2018	\$ 300	\$ 34,504	\$ 6,313	\$ 41,117
Cash receipts:				
Licenses and fees	-	818,832	-	818,832
Interest earnings	-	68	-	68
Marriage licenses	-	-	4,928	4,928
Conservation licenses	-	-	44,941	44,941
Bingo/games of chance	-	-	5,033	5,033
Dog licenses	-	-	6,524	6,524
Total cash receipts	<u>-</u>	<u>818,900</u>	<u>61,426</u>	<u>880,326</u>
Cash disbursements:				
Licenses and fees	-	794,347	-	794,347
Interest earnings	-	68	-	68
Marriage licenses	-	-	4,928	4,928
Conservation licenses	-	-	45,279	45,279
Bingo/games of chance	-	-	2,745	2,745
Dog licenses	-	-	6,670	6,670
Total cash disbursements	<u>-</u>	<u>794,415</u>	<u>59,622</u>	<u>854,037</u>
Cash balance, December 31, 2018	<u>\$ 300</u>	<u>\$ 58,989</u>	<u>\$ 8,117</u>	<u>\$ 67,406</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, 2018**

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	<u>Justice Colby</u>	<u>Justice Cervi</u>	<u>Total</u>
Cash balance, January 1, 2018	\$ 28,683	\$ 32,399	\$ 61,082
Cash receipts:			
Fines, surcharges and fees	267,549	225,424	492,973
Bail	<u>14,723</u>	<u>21,861</u>	<u>36,584</u>
Total cash receipts	<u>282,272</u>	<u>247,285</u>	<u>529,557</u>
Cash disbursements:			
Payments to Town Supervisor	268,981	222,724	491,705
Bail forfeitures and refunds	<u>20,027</u>	<u>25,317</u>	<u>45,344</u>
Total cash disbursements	<u>289,008</u>	<u>248,041</u>	<u>537,049</u>
Cash balance, December 31, 2018	<u>\$ 21,947</u>	<u>\$ 31,643</u>	<u>\$ 53,590</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, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying cash basis financial statements include the operations of the Town Clerk and Town Justices (the “Departments”) of the Town of Lancaster, New York (the “Town”). The 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, 2018 are not included in the financial statements. However, cash due to the Town at December 31, 2018 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 the 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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